

And now...  
**MISS WORTH**  
LES PARFUMS WORTH - PARIS

# FINANCIAL TIMES

No. 28,213

Thursday July 10 1980

\*\*\*20p

**IMI**  
for building products, heat exchange,  
fluid power, general engineering,  
zip fasteners, refined and  
wrought metals.  
IMI Limited, Birmingham, England

## NEWS SUMMARY

**GENERAL**  
**500 in Tube crash escape**  
About 500 passengers escaped serious injury when a Tube train smashed into the back of another at Highbury. Fifty people were slightly hurt, but only the driver of the moving train was kept in hospital. The impact hurled passengers to the floor, smashed windows and tore out seats. The driver's cab was compressed to about 12 inches, witnesses said. London: Transport immediately began an inquiry into the crash and investigations were centring on the automatic signalling system in use on the Central Line. The crash was the worst on the Underground since the Moorgate disaster five years ago when 43 people died and 74 were injured.

**BUSINESS**  
**Equities up 0.3; £ and \$ quiet**  
● **EQUITIES** rallied after early falls. The FT 30-share index closed 0.3 up at 493.0. Page 34  
● **GILTS** advanced in late trading. The Government Securities index was up 0.34 to 70.7—its highest point since October 18 last year. Page 34  
● **DOLLAR** gained in quiet trading, closing at DM1.7410 (DM1.7405) after a small amount of central bank support. Its trade-weighted index was unchanged at \$2.8. Page 31  
● **STERLING** fell 5 points to \$2.3790. Its trade-weighted index remained at 74.4. Page 31  
● **GOLD** fell \$19 in London, closing at \$635.5. Page 31  
● **WALL STREET** was up 4.02 at 991.37 near the close. Page 32  
● **COFFEE** prices continued to decline with the September futures position on the London futures market falling \$42.50

**Carter meets Hua**  
President Carter met Chinese leader Hua Guofeng for the first time at a reception following a memorial service in Tokyo for Premier Chou. Back page

**Kennedy vote bid**  
A U.S. Democratic Party committee rejected a proposal by Senator Edward Kennedy that would allow him to try to attract Presidential convention delegates pledged to President Carter. Page 4

**NATO concern**  
Britain's NATO allies are concerned over the impact of a Government decision, expected soon, to spend up to \$5bn on U.S. Trident ballistic missiles to replace Polaris. Parliament, Page 10

**Home loans boost**  
Abbey National Building Society is to more than double its mortgage lending on new homes. Back page

**Pope tragedy**  
Seven people were killed and up to 100 injured in a crush at a football stadium in Fortaleza, Brazil, where thousands gathered to welcome the Pope. Back page

**Palace statement**  
Prince Charles has no plans to marry Princess Marie-Astrid of Luxembourg. The pair have not met in recent years. Buckingham Palace said in a terse statement.

**Zimbabwe clash**  
Supporters of Zimbabwe Premier Robert Mugabe and Home Affairs Minister Joshua Nkomo clashed in Salisbury and at least two people were injured. Page 3

**Militia crushed**  
Militia of the National Liberal Party in Lebanon is expected to be dissolved after suffering a crushing defeat at the hands of the larger Christian militia, the Phalangists. Page 3

**Mayor welcomed**  
Thousands of Palestinians gave an ecstatic welcome home to Yasser Arafat, Mayor of Basra, who lost both legs in a car bomb blast six weeks ago. Page 3

**Menten jailed**  
Special Dutch court sentenced art collector Pieter Menten, 61, to ten years' jail and a fine of 100,000 (£22,000) for the art-murder of more than 30 Polish Jews. Page 2

**Briefly**  
Shah of Iran was approving after an operation in Iran who shot a rare giant panda in China and sold its eat was jailed for 18 months.

**BRIEF PRICE CHANGES YESTERDAY**  
Prices in pence unless otherwise indicated

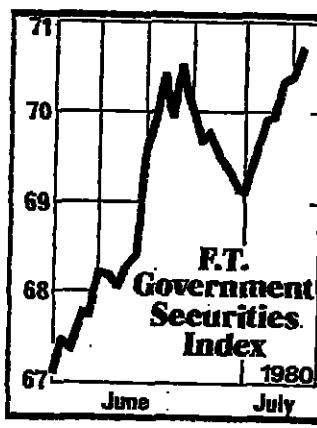
RISES	FALLS
ess. 19pc 2000	Candecor 205 + 9
ess. pd. 19pc	Charter Cons. 230 + 18
ess. 13pc 04.08.80	
oil 83 + 4	Heywood Williams 60 - 12
oil 83 + 4	Lon. Mid. Inds. 115 - 7
oil 83 + 4	Nurdin and Peacock 154 - 8
oil 83 + 4	Sotheby's 148 - 10
oil 83 + 4	Sound Diffusion 138 - 11
oil 83 + 4	Carlson 138 - 11
oil 83 + 4	Algarve Explan 90 - 10
oil 83 + 4	Ashton Mining 134 - 6
oil 83 + 4	Monarch Petroleum 50 - 10
oil 83 + 4	North. Kalguri 92 - 7
oil 83 + 4	Northern Mining 135 - 5
oil 83 + 4	Other Explan 96 - 8
oil 83 + 4	Possidon 217 - 6
oil 83 + 4	RTZ 487 - 5
oil 83 + 4	Samartha Explan 104 - 12
oil 83 + 4	SA Land 453 - 31

## Treasury warning to Cabinet today

# Government spending far above target

BY PETER RIDDELL, ECONOMIC CORRESPONDENT

THE TREASURY will warn the Cabinet this morning that Government spending and borrowing are well above planned levels so far this year and may continue to be next year. Treasury figures published yesterday show central Government borrowing between April and June was £4.52bn—nearly half the total of £9.3bn projected in the March Budget for the whole of 1980-81. This is mainly the result of spending above expected levels, notably by the Ministry of Defence. Serious potential overspending shown by preliminary local authority budgets is not reflected in these figures. The figures were brushed aside by the gilt-edged market, which was more concerned with the deepening recession and the prospect of a big decline in the inflation rate in the next year. Prices of long-dated stocks, which had been up to £1 lower in the morning, rose strongly in the afternoon to show gains of up to £1 after the end of normal trading hours. Consequently there could be strong demand this morning for the new 12 per cent Treasury 1987 stock, which was under-subscribed at yesterday's tender. All bids were allocated in full at the minimum price of £96.00 per cent. This early in the financial year, Treasury ministers and



officials are anxious rather than openly agitated about the borrowing figures, especially in view of possible distortions to the pattern of expenditure. Dramatic public action in the immediate future therefore looks unlikely. Nevertheless, the Treasury is pressing departments within Whitehall, particularly the Ministry of Defence, to adjust their budgets now. The Treasury has warned it may call for more corrective action if necessary, including offsetting savings in other programmes, after the summer holidays. In particular, the revised local authority budgets will go to Whitehall by early August. There are two distinct upward pressures on spending and borrowing. One consists of a failure of control, such as in defence and local authorities, and the other reflects the impact of the recession via an increase in spending on unemployment benefits and a reduction in tax revenue. So far the main problem has been control, though the recession and an unexpected level of unemployment are the main factors pushing up borrowing estimates for 1981-82. There has been debate within Whitehall about how big a rise in public sector borrowing caused by a downturn in the economic cycle should be permitted. Some Whitehall advisers argue that such a rise is acceptable in a recession as long as the underlying path of borrowing as a percentage of total national income is consistent over the medium-term with the Government's financial targets. This is partly because there may be an offsetting fall in bank lending to industry. The Bank of England told the Treasury and Civil Services Committee of the Commons it was "very hard to see how an increase in the size of public sector borrowing associated with an anticipated recession could be avoided."

Continued on Back Page  
North Sea Revenue projections, and Lex. Back Page

## Ford may link with two Japanese car makers

BY DAVID LASCELLES IN NEW YORK AND RICHARD HANSON IN TOKYO

FORD, the second largest U.S. car maker, which badly needs to improve its performance, particularly in the small car market, yesterday confirmed that it is talking with Toyota and Toyota Kogyo of Japan about a possible joint venture in the U.S. Apart from adding to the strong links already forged between Detroit and the Japanese car industry, this would be the first such venture to involve Toyota, now the world's second largest car maker after General Motors. But Mr. Donald Petersen, Ford's president, said that while his company was studying the idea, it was "far too early to predict the outcome," and that talks have not so far dealt with specific plant sites or models. The idea was first proposed by Toyota during a visit to Japan last month by Mr. Petersen and senior Ford executives, during which they met Mr. Eiichi Toyoda, the Toyota president. Ford says the Japanese company brought up the idea of a joint assembly operation in the U.S. involving the three partners. The Ford team said they would go home and think about it. Toyota is

understood already to have informed the Ministry of International Trade and Industry (MITI) that the matter is under consideration. Although the venture could be significant for Ford, which expects to lose \$2bn on its U.S. business this year, the involvement of Toyota could turn out to be the most important aspect of the deal. Toyota is the only major

already 25 per cent owned by Ford, so its involvement in any new Ford-Japanese deal could have been expected. Ford imports Toyota Kogyo's Mazda trucks for sale under its own name. Nissan Motor, Japan's second ranked car maker, has already announced its intention to build a small truck plant somewhere in the U.S. and Honda Motor is working on a plant to manufacture passenger cars. Other U.S. car makers yesterday commented that Ford could be interested in the venture because it would enable it both to strengthen its small car technology and benefit from the higher productivity of Japanese methods and equipment. However, there was also some suspicion that Toyota might have proposed the idea to head off mounting hostility in the U.S. towards the Japanese car makers, who are being asked to curb their imports into the U.S.

There is also some question whether U.S. anti-trust laws would allow a joint venture between the second and third largest motor companies in the world. The UK Society of Motor Manufacturers and Traders wants the European Commission to investigate alleged dumping by Eastern Europe, notably the USSR and Poland. Back Page. BL will sell the Bounty only in the EEC. Page 6

## Laggers call Monday strike

BY JOHN LLOYD, LABOUR CORRESPONDENT

A STRIKE of insulation engineers at the Central Electricity Generating Board's power stations and construction sites across the country has been called by the engineers' union, the General and Municipal Workers Union, for Monday. The strike call follows the breakdown of lengthy talks between the GMWU, the CEBG and the TUC aimed at achieving a settlement to the inter-union dispute at the Isle of Grain power station, Kent, construction site. A meeting of delegates of the engineers, or laggers, has been called for tomorrow. It is expected to express support for the strike, which would involve more than 1,000 laggers, unless the CEBG agrees at the last minute to a compromise over the Isle of Grain dispute. Talks on the Isle of Grain dispute have broken down over the re-employment of the 37 GMWU laggers, who were dismissed from the site last year in a row over bonus payments. The TUC compromise formula, backed by the GMWU, has proposed that the 27 are re-employed under the terms of a national agreement between thermal insulation contractors and the GMWU. The CEBG, on the other hand, has insisted that they work under the conditions laid down in a national agreement between mechanical engineering contractors and the craft unions. Replacement laggers from other unions have been working for the mechanical contractors on the site for the past two months. A strike at power stations generally would be unlikely to affect electricity supply in the short term, since much of the insulation work is being done on stations which are off-line for extensive maintenance during the summer months. It is likely, however, that

there will be clashes between laggers' pickets and other workers at construction sites, as at the Isle of Grain in May. Clashes will be more likely if the other craft unions attempt to supply replacement laggers for the striking workers, as their leaders have threatened to do. Attempts are still being made to avert the threatened action next week. The TUC's finance and general purposes committee, which has been trying to get an agreement in the past six weeks, met until early yesterday morning and is likely to meet again before the weekend. The laggers have said they will refuse to work under any agreement other than that which guarantees the open-ended bonus schemes which are at the centre of the inter-union dispute. The CEBG is determined to bring craftsmen under a common bonus system.

missed from the site last year in a row over bonus payments. The TUC compromise formula, backed by the GMWU, has proposed that the 27 are re-employed under the terms of a national agreement between thermal insulation contractors and the GMWU. The CEBG, on the other hand, has insisted that they work under the conditions laid down in a national agreement between mechanical engineering contractors and the craft unions. Replacement laggers from other unions have been working for the mechanical contractors on the site for the past two months. A strike at power stations generally would be unlikely to affect electricity supply in the short term, since much of the insulation work is being done on stations which are off-line for extensive maintenance during the summer months. It is likely, however, that

there will be clashes between laggers' pickets and other workers at construction sites, as at the Isle of Grain in May. Clashes will be more likely if the other craft unions attempt to supply replacement laggers for the striking workers, as their leaders have threatened to do. Attempts are still being made to avert the threatened action next week. The TUC's finance and general purposes committee, which has been trying to get an agreement in the past six weeks, met until early yesterday morning and is likely to meet again before the weekend. The laggers have said they will refuse to work under any agreement other than that which guarantees the open-ended bonus schemes which are at the centre of the inter-union dispute. The CEBG is determined to bring craftsmen under a common bonus system.

### CONTENTS

Iran: Islamic revolution runs into the sands	22	Marketing: tourism—why London needs a major sales effort	12
Economic viewpoint: a song in Whitehall	23	Business and the courts: "gambling" debts in Germany	20
Ireland: hopes of a real oil find	2	Lombard: Anatole Kaletsky examines the mixed economy	20
China: crisis of communism	3	Editorial comment: public spending; Zimbabwe	22

American News	4	Europe Markets	27	Money & Exchanges	31	Unit Trusts	35
Appointments	29	European News	2	Overseas News	3	UK News	6-8
Arts	21	FT Acquisitions	34	Racing	30	Labour	9
Base Rate	21	Int'l. Companies	27-29	Sale Rooms	36	Weather	38
Business Oppts.	8	Letters	23	Share Information	36, 37	World Trade News	24
Commodities	33	London	20	Stock Markets	33		
Compensations	24-26	Lombard	20	Wall Street	34	ANNUAL STATEMENTS	
Construction	20	London Td. Opns.	25	Bourses	32	Irish Shipping	26
Costs	20	Marketing	12	Technical	32	Jonas Woodhead	28
Costs	20	Men & Motives	22	Today's Events	22	McKay Securities	24
Entertain. Guide	20	Mining	26	TV and Radio	20	Pittington Bros.	25

For latest Share Index 'phone 01-546 8026

## Rhone talks on £193m plant sale

BY DAVID WHITE IN PARIS AND SUE CAMERON IN LONDON

FRANCE'S chemical industry is to undergo a dramatic reorganisation. Preliminary agreements have been reached by Rhone-Poulenc, the biggest group in the sector, to sell off a large part of its heavy chemical activities to two oil companies, the state-controlled Elf-Aquitaine and the local subsidiary of BP.

The assets due to change hands in two deals are valued at a total FF1.85bn (£193m) and represent sales of FF1.54bn (£158m) or almost one-sixth of the Rhone-Poulenc group's 1978 turnover. The outcome of the reorganisation is that Elf-Aquitaine gains control of virtually the whole of Rhone-Poulenc's polyvinyl chloride (PVC) production cycle and part of its interests in chlorine and chlorinated solvents. Its stake will be held through a company in which it will have about an 80 per cent interest. The remaining shares will be held by Rhone-Poulenc. This subsidiary will also take 50 per cent of Naphthachimie, which is jointly owned by Rhone-Poulenc (57 per cent) and the French subsidiary of BP (43 per cent). BP will increase its Naphthachimie stake to 50 per cent. Naphthachimie produces petrochemicals. It has worldwide capacity for making ethylene—the building block of the chemical industry—propylene, another base chemical vital for making plastics, and butadiene, used to make synthetic rubber. It also makes plastic materials and a variety of other intermediate chemicals. Rhone-Poulenc will now concentrate on its specialised chemical business, notably pharmaceuticals, agrochemicals and five chemicals, including rare earths for use by the electronic and glass industries. In the reorganisation Elf is to pay FF1.75bn, most of it—FF1.55bn—in cash as soon as the reorganisation is approved by the relevant authorities. The oil group, whose net profit came close to FF1.6bn last year, is widely expected to make part of its new assets over to ATO-Chimie, which it owns jointly with the other major French oil company, CIE Francaise des Petroles (Total). Such a deal would presumably involve Elf increasing its 50 per cent stake in ATO-Chimie into a majority. Elf said yesterday it would start talks with Total before the agreement came into effect. The strengthening of Elf's petrochemical side comes only a

few weeks after a memorandum from M. Raymond Barre, the French Prime Minister, urging the group to concentrate its diversification in oil-related areas. The memorandum also made clear that the Government wanted to reduce its 70 per cent holding and, while keeping its majority, see the group managing itself more like a private-sector enterprise. M. Jean Gandois, chairman of Rhone-Poulenc, described the changes as "a healthy industrial rationalisation," which would free funds for his group to invest in rapid development of downstream activity. The large cash payment from Elf would be used to alleviate the group's pressing debt problem and to extend its current investment programme. The deals marked the end of the group's major divestiture plans. Mr. Gandois said. In the long term, the group's profit—FF1.79m net last year—should not be affected. The moves follow a build-up of Rhone-Poulenc's fertiliser interests through the purchase last year of Pechiney-Ugine-Kuhlmann's stake in a joint venture.

He said the deals were consistent with a strategy that involved restructuring the group's problem areas—namely textiles, which are now coming to the end of three years of drastic and costly reorganisation—and concentrating on fine chemicals. Although the deals are expected to maintain employment overall, some 8,400 employees will be directly affected. The work force of the Rhone-Poulenc group will drop from 70,000 at present to about 63,000.

In the wake of Rhone-Poulenc divestiture, BP is to set up a new chemicals subsidiary in France, called BP Chimie. The company, which is to be set up by BP Chemicals and Societe Francaise de Petroles (SFBP), will make a range of chemicals including polypropylene. Polypropylene is the only one of the five major plastics materials that BP worldwide does not produce at present. Captive oil divides industry. Page 28

£ in New York

	July 6	Previous
Spot	\$2.8705-2715/\$2.8810-2820	
1 month	1.65-1.58 dis 1.59-1.64 dis	
3 months	3.67-3.61 dis 3.58-3.62 dis	
12 months	8.10-7.95 dis 8.26-8.10 dis	

# SPACE. THE FINAL FRONTIER.

A great opportunity to expand your business in Milton Keynes.

Whether you're a large or small service industry or manufacturing concern, whether you need offices, a factory, or a warehouse; bringing your own staff or wanting to recruit—Milton Keynes is the ideal place for you to relocate or expand your business.

Midway between London and Birmingham, and right alongside the M1, Milton Keynes is the perfect base for U.K. and European business operations.

Set in beautiful countryside, with abundant quality housing, the problems of re-accommodating key staff are minimal.

And modern factories, stylish offices and warehouse facilities are continually becoming available for companies of all sizes. There are also sites for firms wishing to build their own premises.

Ring or send the coupon for more details.

Commercial Director, Milton Keynes Development Corporation, Watdon Tower, Milton Keynes MK17 8LX. Tel: Milton Keynes (0908) 74000.

Name \_\_\_\_\_ Position \_\_\_\_\_

Address \_\_\_\_\_

Tel. No. \_\_\_\_\_

**MILTON KEYNES**  
FT10/7



## EUROPEAN NEWS

## BONN APPEAL OVER OPEC SURPLUSES

BY ROGER BOYES IN BONN

THE West German Government yesterday called on oil producing countries to step up their direct investment in developing countries and to recycle some of their surpluses in the Third World.

The appeal was contained in a policy document setting out the goals of West German aid policy which was discussed and approved by the Cabinet yesterday. "The Government is ready to participate in international measures which would direct some of the OPEC surpluses in the developing countries," it said.

Herr Rainer Orfegeld, the Development Aid Minister, made clear the Government had not settled on a definitive recycling scheme. However, one plan has been drawn up by Dr. Armin Gutowski, head of the

Hamburg Institute for Economic Research, suggesting that OPEC states be offered securities with a real interest rate by matching the level of price increase of industrial goods that the developed world is selling to OPEC.

Funds obtained in this way would be re-invested on the international capital market. Part of these recycled funds should be paid into a fund which would re-lend on relatively easy conditions to developing states or make direct grants to them.

Losses would be met jointly by industrialised and OPEC states as part of their development aid.

The idea is being sympathetically considered, not least in the ruling Social Democratic Party (SPD), but Herr Orfegeld indicated that the indexation of the offered securities might be

home a powerful inflationary force.

The advantage of the scheme, which drew high praise yesterday from Herr Wolfgang Roth, chairman of the SPD's development aid committee, is that it might encourage investment risk for OPEC countries (losses would on the whole be carried by the industrialised countries) and would encourage them to continue bringing the oil out of the ground.

OPEC states, however, would have to guarantee not to raise oil prices beyond a stated amount annually and meet demand at that price.

Herr Orfegeld indicated yesterday that a recycling solution would have to be found if development aid was to have a realistic basis, because of the high indebtedness of oil-

dependent Third World countries.

Much development aid was simply paying oil bills. The Bonn Government is to increase official development aid in the 1980s until it reaches the internationally agreed target of 0.7 per cent of GNP. At present it totals some DM 6bn, or 0.44 per cent, though this represents a doubling over the past two years.

Bonn now identifies two main problems in the Third World: the effects of oil price rises and the population explosion. This translates into increased co-operation in the energy field, in raw materials, and in agricultural and medical support. It also favours lowering tariff barriers against developing countries and more rigorously controlled financial assistance through international bodies.

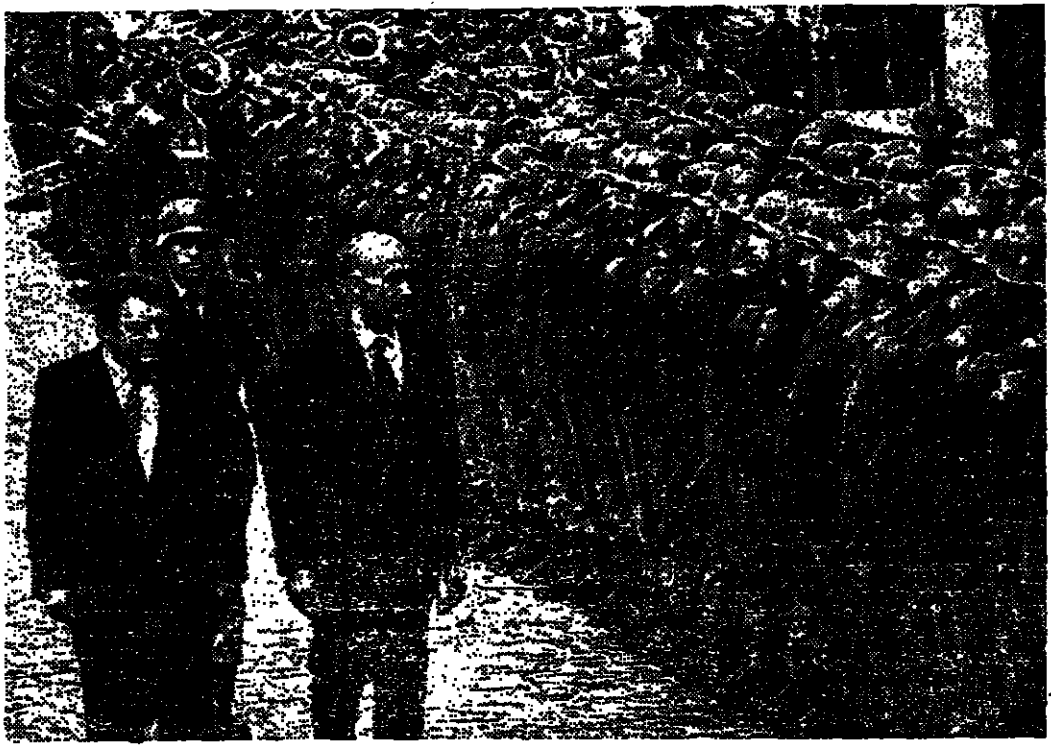
## Strauss warns Giscard on Europe unity

WURZBURG—Herr Franz Josef Strauss, the West German opposition leader, warned visiting President Valéry Giscard d'Estaing yesterday that France and West Germany could not build a stronger Europe at the expense of the United States.

Herr Strauss made the remark in a speech on the arrival of the French leader in Bavaria (right).

M. Giscard d'Estaing, abandoning his prepared text, replied by reaffirming his call for a stronger Europe to play an independent role in world affairs. He made no reference to the U.S.

"Since we are two strong and lively countries, we should correct a historical anomaly to which we have become used—the self-effacement of Europe in the world," he said. Reuter



## Row over tank clouds Franco-German talks

BY OUR BONN STAFF

FRANCE and West Germany are at odds over a project to develop jointly a new main battle tank for the 1990s. The dispute, with other sensitive defence issues, could well hamper the normally smooth course of the formal Franco-German consultations which begin today.

The central theme of the consultations, coming at the climax of President Valéry Giscard d'Estaing's state visit to Germany—is the Soviet invasion of Afghanistan.

This is understood to have dominated private talks this week between the French President and Chancellor Helmut Schmidt and to have been touched upon during brief

discussions yesterday involving Herr Franz Josef Strauss, the Opposition challenger to the Chancellor.

While Herr Schmidt and the French President are in essential agreement on world affairs, the two countries are divided on the details of defence co-operation, both in terms of joint weapons development and tactics.

Both countries agreed in February that they would start to co-operate on developing a new tank. But the German defence industry is concerned that the French are

profiting disproportionately from Germany's long technological experience in tank building. It is worried that the

French are planning to take too few of the new tanks (1,000 out of a projected 4,000) and believes that the French are seeking too much control over the project. There is also basic disagreement over the design.

Herr Hans Apel, West German Defence Minister, and M. Yvon Bourges, his French counterpart, will meet today, in parallel with the two leaders, to try to smooth out some of the misunderstandings. The fear is that the project, which has taken on symbolic importance, may be stillborn.

Meanwhile co-operation on the plans for a new joint tactical combat aircraft for the 1990s is advancing, despite problems

mainly related to rising costs.

The German eagerness to push ahead with weapons co-operation stems from a feeling that France should be drawn closer into the military structure of the North Atlantic Treaty Organisation. The Chancellor last week implicitly welcomed President Giscard d'Estaing's recent statements on increased defence effort, including his plans to develop the neutron bomb.

Other Ministers taking part in the consultations today will include the Foreign, Finance and Research Ministers. The question of how best to expand the European Community and the state of the Community's finances will be on the agenda.

## 19 injured as quakes shake Greece

By Our Athens Correspondent

NINETEEN PEOPLE were injured, seven of them seriously, when three earthquakes shook eastern Greece yesterday. The tremors, measuring between 5.4 and 6.3 on the Richter scale, caused extensive damage.

Police said 225 houses had collapsed and 1,860 more had suffered severe cracks. The coastal towns of Alexandros and Mea Anthissa, south of the port of Volos, were worst affected. Disruption of communications made it difficult to assess the full extent of the damage.

The Government sent 1,800 tents, food and medical supplies to help the stricken population which has been advised to remain outdoors in case of further tremors.

The earthquake was felt throughout the country. Athens observatory said its seismographs registered at least 120 tremors of various magnitudes in the area around Volos.

## Menten given 10 years

By Charles Batchelor in Amsterdam

A SPECIAL court yesterday sentenced Peter Menten, the 51-year-old Dutch millionaire art collector, to 10 years imprisonment and fined him Fl 160,000 (\$22,000) for his part in the murder of more than 20 Polish villagers in 1941. He can expect to serve four or five years of his sentence when normal remission is taken into consideration.

The verdict could mark the end of one of the longest and most notorious trials in the Netherlands since the war, although Menten has two weeks to appeal on a point of law. Menten, who is in poor health and has been under house arrest at his villa near Amsterdam, was not in court to hear the judgment.

He was taken to a nearby hospital on the advice of his doctors before being told the court's decision. He will be transferred later to the prison hospital at Scheveningen, the Justice Ministry said.

The court said that while Menten's exact role in the mass murder at Podgorodce, now in the Soviet Union, could not be established, he had pointed out villagers to other members of the Nazi group to which he belonged and legally his guilt had been proved.

Menten has maintained his innocence throughout, three protracted trials over the past four years, often conducting his own defence. The Public Prosecutor had asked for a sentence of 20 years.

He was sentenced to 15 years in prison in December 1977, after an unsuccessful attempt to flee to Switzerland but this verdict was quashed because procedural errors had been made. Another court ruled that, in effect, he had been pardoned in the 1950s though this judgment, too, was subsequently overruled by the Supreme Court.

## Kaufhof improvement

Kaufhof, the German retail group, had a good start to 1980 showing a considerable improvement against the last year, with five months group sales up 12 per cent. Herr Friedrich Roesch, managing board member, said, without giving figures, that the sales rise resulted from increased sales area. He said the extra area was excluded, group sales rose 10 per cent, still above planned growth levels.

## Europe Parliament approves EEC budget at last

BY WALTER ELLIS IN STRASBOURG

THE BATTLE over the size of this year's Budget ended yesterday when the European Parliament finally voted to approve it. MEPs have admitted almost total defeat in their efforts to reduce the Community's agricultural spending, but have agreed to continue the struggle next year.

The budget totals 17.3bn u.s. (\$11.2bn), of which some 72 per cent will be spent on the common agricultural policy. In its original form, the budget was thrown out by the Parliament last December, when a coalition of normally warring factions insisted that less money should be spent on the CAP and more on regional and social develop-

to be seen as more intrinsically.

Almost at once, the wounds of battle forgotten, MEPs rushed to the cashiers' office in quest of the 30 per cent or so of their expenses for the past six months which had been held up by the prolonged dispute.

But, even as the dust is settling, the 1981 budget is about to begin its own long march to adoption. Mr. Christopher Tugendhat, the Commissioner for budget policy, today presents his first draft to Parliament. He is expected to propose a budget of just under 23bn u.s. (\$14.25bn), an increase of 25.5 per cent on 1980.

The Community's self-financing part of the budget—made up of a proportion of member countries' VAT receipts—would come to 20.6bn u.s. The Commission believes this would keep the so-called "own resources" element of the budget within 0.05 per cent of the permitted ceiling. This 0.05 per cent figure compares with this year's 0.72 per cent.

Under the proposed budget, agriculture would receive some 13.7bn u.s., a 12.7 per cent increase, but a smaller percentage rise than in recent years. The social fund, largely concerned with aid for industrial retraining, would be allocated 1bn u.s. and the regional development fund 1.6bn u.s.

## USSR to generate 10% of power by nuclear means

BY DAVID FISHLOCK, SCIENCE EDITOR

THE USSR expects to be producing about 10 per cent of its electricity from nuclear power by the end of this year, according to senior Soviet officials with the International Atomic Energy Agency in Vienna.

This is about the same proportion as the U.S. and slightly less than Britain expects to produce in 1980. During the last five years the USSR has tripled the number of nuclear power stations in operation, in a major acceleration of its nuclear construction programme.

It has a total installed nuclear capacity of about 12,000 MW, and plans to increase it to 90,000 MW over the next 10-12 years. These figures were given by Professor L. S. Zheludov, deputy Director General of technical operations, and Dr. L. V. Konstantinov, scientific co-ordinator of nuclear safety standards, in report to IAEA staff.

The USSR has 15 nuclear reactors totalling nearly 14,000 MW under construction. Other Comecon countries have about 3,600 MW of installed nuclear capacity with 9 reactors at present, and plan to expand this to 37,000 MW by 1990. They

have 17 reactors totalling over 7,000 MW under construction.

By the end of the century the Comecon countries expect to be obtaining 40-45 per cent of their electricity from nuclear power. Nuclear construction plans are based on two reactor types, a pressure-tube reactor unique to the USSR but resembling the U.S. boiling water reactor, and a Russian pressurised water reactor developed originally for its nuclear submarines.

Seven 1,000 MW pressure-tube or "Soviet-type" (RBMK-1000) reactors are operating in the USSR, with another seven under construction, said the officials. One updated reactor of this type and size, designed to produce 4,500 MW, is under construction in the West—being constructed.

The Russians believe that they can develop their pressure-tube reactor to produce 2,400 MW from a single unit, using nuclear steam superheating. They claim that in this way they could raise the thermal efficiency of the generating plant from 30.4 per cent for the RBMK-1000 and 31.3 per cent for the RBMK-1600, to 37 per cent for the RBMK-2400.



## Ireland dreams of a little oil

By Stewart Dalrymple in Dublin

IRELAND'S ATTITUDE to oil and the West's effort to reduce dependence on it was most succinctly summed up in a cartoon in a Dublin newspaper. A man in an Aran island beret sits holding a fishing rod against a background of mountains and another reads from a newspaper about last month's Venice summit of the leaders of Western industrial countries.

"Just our luck, the wind is blowing and we can't see the oil rig," the caption reads.

The report by the British stockbrokers Wood Mackenzie that there could be an oilfield of 300m barrels in the Porcupine Trough some 120 miles out into the Atlantic from Galway in the west of Ireland has caused a great stir.

Most countries would like to find oil, but Ireland would like to find it more than most. Ireland has an open economy. It imports more than half of what it consumes. In other words, Ireland's exports are never quite yet equal to its imports, and there is a habitual balance of payments deficit on current account.

Ireland consumes only 106,000 barrels a day. Yet the price of oil has doubled since the beginning of last year, and because of restraint on the balance of payments, now as a critical bottleneck to growth. This year, the central bank believes that the oil bill could amount to £800m (£780m) equivalent to 20 per cent of imports and 10 per cent of Gross National Product. Ireland has some 200,000 tons of oil stocks, some of which may be used to generate energy. But for the moment, over 80 per cent of its energy is imported, and over 70 per cent of that is oil.

## Excess demand

The high cost of oil was a major factor behind a balance of payments deficit last year of £274m. It was not the only factor. Government spending helped stoke excess demand as did some large pay awards. The government's public sector borrowing requirement last year was nearly 14 per cent of GNP. This year, the idea is to cut the PSBR to 10.4 per cent of GNP.

But the central bank believes that the balance of payments deficit this year will be virtually unchanged, with higher oil prices cancelling out the deflationary measures of the last budget.

The Government might find it has to borrow its way out of trouble next winter, although borrowing will be low because of recession. It would be better if the Government could borrow against the certainty of proved commercial oil reserves. Ireland has been looking for oil for nearly 20 years. Some 59 wells have been sunk around its shores. All have been found to be dry. The last was sunk at Kinsale Head, Cork.

The current hope, which the Government Ministers cautiously optimists, but not euphoric, to punters on shares, rests on the Atlantic Energy/EPR consortium search for the Porcupine Trough. It is the operating company, tested a well in the 250 block which flowed at a rate of 5,500 b/d. Partly on the basis of this flow, Wood Mackenzie reported that the field could contain 300m barrels. This would mean self-sufficiency in oil for ten years, possibly into the mid-1990s, a time when the country's oil needs are expected to be at their peak.

The mid-air collision between an Iberia DC-9 and a Coronado of the Spanish charter company, Spantax, occurred during a strike of civilian air controllers, who had been replaced temporarily by military personnel. The court said the military controllers were mostly to blame for the accident, but that the Coronado pilot was also guilty of "inattention verging on carelessness."

## French kidnap victim freed

By Terry Dodsworth in Paris

A FRENCH industrialist, M. Michel Maury-Larbiere, kidnapped 11 days ago, was freed yesterday after police sprung a trap prepared with the co-operation of the family.

No ransom was paid in the rescue which was completed yesterday morning when M. Maury-Larbiere's son travelled to a contact point with the kidnappers in a car which had been linked with police radar equipment. A woman was being held last night in the wake of the rescue and police say other arrests are possible in the near future.

Throughout the affair, M. Maury-Larbiere's son had said the family was ready to pay the FRF 3m (\$500,000) ransom, despite official opposition to giving in to kidnappers. It now appears these statements were made to hoodwink the kidnappers.

M. Maury-Larbiere, a vice-president of the French employers' federation and a distinguished local businessman in western central France, was described as tired but fit after his spell of captivity in a rural holiday home.

A civil court in Nantes, Brittany, has ruled that the French state must bear 85 per cent of the responsibility for the air crash between two Spanish airliners over western France in 1973, in which 88 people were killed, writes Robert Mauthner in Paris.

The mid-air collision between an Iberia DC-9 and a Coronado of the Spanish charter company, Spantax, occurred during a strike of civilian air controllers, who had been replaced temporarily by military personnel.

The court said the military controllers were mostly to blame for the accident, but that the Coronado pilot was also guilty of "inattention verging on carelessness."

FINANCIAL TIMES, published daily except Sundays and holidays. U.S. subscription rates \$385.00 per annum. Second class postage paid at New York, N.Y., and at additional mailing centres.

## Italy economic moves split Left

BY RUPERT CORNWELL IN ROME

THE ITALIAN Left, both at union and political level, is deeply split as a result of the Government's deflationary economic measures which have been endorsed by the union leadership but bitterly opposed by the Communist party (PCI).

Particularly exposed is the leadership of the three main unions, including that of the Communist-dominated CGIL, which accepted the package designed to cut consumption by LA.000bn (£2bn) in the coming year in return for the shelving of plans to curtail automatic wage indexation under the "scala mobile" mechanism.

The Communist party, however, has publicly disowned its normal union allies and has carried the case against the measures to the union rank and file. This has accentuated the latent divisions between a rela-

tively moderate union leadership and a more militant shop-floor.

At the same time, relations have touched a new low between the Communists and the Socialists, who as a partner in government were partly responsible for the measures. This comes on top of the previous tensions between the two, following the Socialists' strong showing in June's regional elections.

The Socialists' advance not only strengthened the hand of their leader, Sig. Bettino Craxi, anxious to carve out a role independent of the PCI, but reinforced Communist fears that their traditional dominance of the Left might be coming under threat.

All these ingredients have contributed to the tension which first boiled over at a union meet-

ing last week in Milan. On that occasion militants, widely alleged to have been Communists, insulted and man-handled Sig. Giorgio Benvenuto, leader of the socialist-leaning UIL union.

But at a solidarity rally on Tuesday night in the same city, where the Socialists fared exceptionally well in the June vote, Sig. Craxi insisted that his party would not take orders from anyone, least of all the Communists.

The clearest indication of the strength of feeling against the package on the shop-floor will come in the next few days. But already demands have surfaced that the leadership reverse its stance and oppose the measures. Should that happen, the danger for the coalition Government of Sig. Francesco Cossiga are plain.

## Politics embitter ancient sectarian enmity in Turkey

BY METIN MUNIR, RECENTLY IN CORUM



A YOUNG Alevi woman sat in the car clutching a dead chicken to her bosom and sobbing. "They've burned down our house," she cried. "Our neighbours have burned down our house."

Her husband, dirty and unshaven, pointed at a pile of clothing in the back seat and said, "This is all we were able to save."

He cursed and drove towards Milon, the district where Corum's Alevi took refuge after they were attacked by Sunni mobs last Friday. At least 22 people, most of them Alevi, were massacred in the violence which ensued. Armed civilians erected barricades as the peace of centuries between the town's Sunni majority and the Alevi community came to an abrupt end.

The Alevi are a branch of the Shiite sect of Islam. They make up 8-10m of Turkey's 45m population and lean towards the political left. Most of them live in the belt of provinces which stretch east and north of Ankara. Corum itself is 280 kilometres north-east of the capital.

The religious hostility of Sunni and Alevi lay dormant for 500 years. But since the

polarisation of Turkish politics and the wave of terrorism of the late 1970s, the extreme political left and right have exploited this ancient enmity. In December 1978, 107 people were killed in the town of Kahramanmaraş in clashes that were both sectarian and political in inspiration. This led to the imposition of martial law under which half of Turkey's population still lives.

The couple in the car were probably the last Alevi in Corum, a market town with around 50,000 Sunnis and 20,000 Alevi, to have deserted the Sunni districts for the safety of Milon.

Other Alevi could not make it.

At the state hospital overlooking the prosperous town, soldiers unloaded the bodies of six men and a woman from an army lorry. They were Alevi peasants in tattered clothes, trapped by Sunnis whose looting their household goods into a cart to escape to Milon. They were dragged to a wheat-field outside the town, tied together and shot from such close range that their faces were black with gunpowder.

It was only the Turkish army,

slogans of the extreme Right-wing Nationalist Action Party. "Our blood may flow, but victory will be for Islam," declared one.

The troubles apparently started after May 28, the day Mr. Gun Sazak, the party's deputy chairman, was assassinated in Ankara.

The party is Turkey's fourth largest. Led by Mr. Alpaslan Turkes, a 63-year-old retired army colonel, the party has become the key to the coalition which is keeping Mr. Suleyman Demirel's minority government in power.

The NAP's followers are widely believed to be deeply involved in the clashes between the extreme left and right which are claiming an average of eight lives a day. "Everything started after Sazak was killed," a Sunni shopkeeper in Corum explained. "The NAP boys decided to teach the left a lesson but they could not raise popular support. So they decided to turn it into a religious battle. They succeeded. I am afraid this will continue and spread to other towns."

Mr. Demirel and Mr. Turkes have blamed the incidents in Corum on "Communists and traitors." There are certainly

many Communists among the Milon Alevi. But there was clearly considerable provocation from the NAP and, once the riots started, they turned into a massacre of Alevi. The NAP which enjoys support in the police and the local administration, has now established its hegemony over Corum. Such is the fear among the Alevi that some with wounds dare not go to the state hospital in the Sunni district.

On the Sunni side, right-wing militants are forcing neutral people to take part. A civil servant said that his wife was visited by militants who demanded to know why her husband was not at the barricades. "What could I do," asked the man.

Slowly, the ties which are binding Turkey together are being severed by political extremists. That the state appears unable to bring to heel. Poor are being driven against rich. Alevi against Sunni, Kurd against Turk, worker against boss, son against father. The rifts are widening. Poverty and economic chaos, which the West is trying to repair by large volumes of aid.

In Ankara, the politicians seem as divided and full of hatred as the people of Corum.

As the country slides towards civil war, they seem like passengers on a sinking ship quarrelling over cabin seats.

Mr. Demirel appears for the moment to need Mr. Turkes and the extreme right, but Corum has shown, the NAP is a force to be reckoned with in its own right.

Mr. Bulent Ecevit's democratic party, the main opposition, is in a shambles and unable to influence the extreme left. Mr. Ecevit's own prestige as a national leader was dissipated in his unsuccessful two years in power which ended eight months ago.

The Turkish army watches events with ever-growing anxiety but the generals have, so far, shown no inclination to do away with the politicians. The social and economic fabric has, in any case, so disintegrated that there is little they could do with it.

A lorry passed by carrying the household goods of a family leaving Corum. Those who can sell or are able to afford it are getting out, said the shopkeeper. "There is no future here any more."

A growing number of Turks feel the same about the whole country.



## OVERSEAS NEWS

# Chamoun militia crushed in Lebanon fighting

BY IHSAN HIAZI IN BEIRUT

THE MILITIA of Lebanon's National Liberal Party, which until now has been the second largest Christian force in the country, is expected to be dissolved after its crushing defeat in two days of fighting this week with the larger Christian militia belonging to the Phalange party.

Former President Camille Chamoun, the Liberal Party leader, was reported yesterday to be considering the disbandment of his force. Mr. Chamoun, now 80, has been negotiating on next moves with the Phalangist leaders. Mr. Bachir Gemayel, the Phalangist military chief, wants to merge all militias in the predominantly Christian areas into one force to be called "the National Guard."

Commander of the Liberal militia, Dany Chamoun, younger son of the former president, has been driven out of his strongholds in the eastern mountains and has taken refuge with his family east of Beirut. He said in an interview that he would have nothing more to do with the Phalangists and would be ready to live in predominantly Moslem areas west of Beirut if the forces there would let him.

Liberal Party militiamen were held out after the initial Phalangist offensive launched on Monday have now surrendered and handed over their offices and barracks to Phalangist fighters on the instructions of the former President. Their submission has brought an end to the fighting in the Christian areas.

According to the latest casualty figures about 100 people died in the fighting and well

over 500 were wounded. According to Dany Chamoun, the Phalangists insisted on burying the dead in mass graves, not allowing their families to see them. Saying the lives of his followers is said to be uppermost in the mind of Mr. Camille Chamoun. Although he has suffered a crushing defeat, there is a great deal of sympathy for him in Christian areas and he still commands a considerable political following.

The 48-hour offensive by the Phalange leaves it the predominant power in most Christian areas. Part of northern Lebanon remains under the control of former President Suleiman Frangieh and his Maronite supporters who have been locked in a blood feud with the Phalangists since Frangieh's eldest son, Tony, was murdered two years ago.

It is feared that the tightening of control in Christian districts by Phalangist militants could provoke a backlash in Moslem regions and undermine efforts at national reconciliation.

The situation was a main topic at the weekly session of the Cabinet under President Elias Sarkis. The Government has been urged by Parliament to send in the Lebanese regular army to the troubled areas, but such action is unlikely.

In predominantly Moslem west Beirut, fighting broke out briefly on Tuesday night between two rival left-wing factions. A left-wing coalition has been trying to close militia and Palestinian guerrilla offices in Moslem quarters in an effort to ease tension.

# Party anniversary gives Peking little to celebrate

BY TONY WALKER IN PEKING

THE CHINESE Communist Party was 59 years old last week, but it had little to celebrate. Indeed it has much to be concerned about.

The Communists who swept all before them in their triumphant march to power a little more than 30 years ago are facing a serious crisis of confidence in their role.

The restoration of stability after the turbulence of the Cultural Revolution, the purging of so-called "ultra-leftists" and a number of economic reforms appear to have gone only part of the way towards persuading Chinese that things will get better. For they have been made cynical by empty promises and fabricated stories of great achievements.

Widespread disillusionment shows itself in the recalcitrance of young people in the sluggishness of officials to carry out basic reforms and in the apparent desire of some of China's more talented people to get out of the country at all costs.

Sitting on top of these problems is a party whose arteries have hardened, whose vitality has dimmed and whose ability to purge itself of negative elements is open to question.

Grave doubts are expressed about the man who was the party's founder and inspiration through its first half century. The continuing debate about Mao Tse Tung both inside and outside the party can only add to its difficulties. Pre-occupation with the past is not a good recipe for dealing with the future.

Recognising its task, the Communist Party has, in recent weeks, mobilised its propaganda organs. The message to the people is simple: Have faith in your leaders, for they know the way and have Marxist-Leninist-Maoist scriptures to guide them. The People's Daily, the Communist Party newspaper, recently ran three block-buster articles which tackled the apparent loss of confidence in socialism or, at least, Marxist-Leninist and Maoist thought.

Mr. Deng Liqun, vice-president of the Chinese Academy of Social Sciences, effectively a "think tank" for the Communist Party's central committee, wrote in a commentary titled "The Voice of Truth Cannot be Silenced" that it was understandable some young people had "doubts about the superiority of the Socialist systems" and did not have confidence in Communist and Socialist ideals.

There were even some Communist-Party members, Mr. Deng said, who started having doubts about the system after the Cultural Revolution of the late 1960s. These comrades, he said, showed no enthusiasm for the ideals of Socialism and Communism.

Mr. Deng says the faithful are wavering. Where does this leave the millions, perhaps hundreds of millions not at all committed to the Communist Party, and, in fact, downright hostile to it after the excesses of the Cultural Revolution?

The Chinese leadership



FOUNDING FATHERS: Mao (left), now doubted; Liu (centre), rehabilitated; and Deng (right), anxious.

recognises there is a problem and it must restore confidence in its promises to modernise Chinese industry and improve the standing of living for the masses.

Mr. Deng Xiaoping, the Senior Vice-Premier and China's driving force, warned in an important speech to thousands of leading officials in the Great Hall of the People, on January 16, that the success of the modernisation drive was crucial if the Communist Party was to regain the respect of the people, not to mention its own self-esteem. This was

buffeted by the years of turbulence from 1966-76 when Mr. Deng himself was purged twice and Mr. Liu Shaoqi, the party's former head of state, died a pathetic death after being hounded from office by the Maoists.

The recent posthumous rehabilitation of Mr. Liu and the publicity given to his best known work, "How to be a Good Communist," is an element in the attempt to restore a sound moral basis for the party.

Mr. Liu's work emphasises selflessness and devotion to the Communist cause. The fear-

ing of these principles, as large number of party officials have used their position to further their interests, appears to have a prime cause of the party's debilitation and the populace's manifest cynicism about party rule. Such abuses may be so deep as to defy being rooted out.

production to prove the socialist system is superior to the capitalist system," he said. But tangible evidence of the effective operation of the system is probably needed more than grey commentaries in the People's Daily extolling the virtues of socialism.

That the party, if not rattled, is at least deeply concerned about the difficulty it is having getting its message across is shown in its stern reaction to challenges to central ideology.

The so-called "Democracy Movement" of 1978-79 was quickly crushed. The leadership, no doubt, concluded that it had enough problems without having to cope with a group of disaffected youths espousing a rival ideology.

But none of the party's problems are so serious as the decay within its own ranks. Among its 38m members are a large number admitted during the Cultural Revolution when it was considered more important to be red than expert. During those years the party almost doubled in size and became unmanageable.

The party's disciplinary committee is now reviewing membership and may eventually purge officials not considered in tune with present thinking.

There is little doubt that Vice-Premier Deng, the thoroughgoing party professional, wants to leave a well-organised and healthy Communist Party as his monument when he retires, as he says he will, in 1985.

# Nablus mayor home to hero's welcome

BY OUR TEL AVIV CORRESPONDENT

THE MAYOR of Nablus, Mr. Bassam al-Shaka, who lost both legs in a car bomb attack last month, returned home yesterday from medical treatment in Jordan to a jubilant welcome from his fellow townsmen.

With Israeli troops watching from the sidelines, town leaders slaughtered five sheep in ritual Moslem sacrifices and sprinkled the blood over the roof of the ambulance that brought Mr. Shaka back to Nablus on the occupied West Bank of the Jordan.

Mr. Shaka crossed the Allenby Bridge into the West Bank, urged on from the Jordanian side by the shouts of two other Palestinian mayors who were expelled in May by the Israelis. Mr. Fadi Qawasmeh of Hebron and Mr. Mohammed Mithem of Halhoul. The mayor told a cheering crowd: "I have come home to lead my people."

Like other West Bank mayors, Mr. Shaka has been warned by the Israeli occupation authorities to confine himself to municipal duties and to avoid politics.

Israeli troops prevented other West Bank mayors from visiting Nablus for the return ceremony. Few outsiders, apart from journalists, were allowed to enter the town. Mr. Shaka said he might go to Britain or France next month to be fitted with artificial legs.

The attack on Mr. Shaka was attributed by many to Jewish extremists. A second mayor, Mr. Karim Khalef of Ramallah, lost a foot in a similar bomb attack and a third, Mr. Ibrahim Tawil of Al Bineh, narrowly escaped injury.

L. Daniel adds: New deflationary policies advocated by Mr. Vigal Hurvitz, the Israeli Finance Minister, are expected to be implemented shortly.

The Manufacturers' Association is negotiating with the Treasury and the central bank on the extent of new credit restrictions and possible rises in financing costs which, manufacturers claim, will reverse the positive trend in exports recorded in the first half of the year.

# Clashes mark widening Mugabe-Nkomo rift

BY OUR SALISBURY CORRESPONDENT

RELATIONS BETWEEN the Mugabe and Nkomo parties in Zimbabwe's coalition Government took a further turn for the worse yesterday, when supporters of the rival parties clashed in the streets of Salisbury.

Two men were injured in fist-fighting which broke out after 200 of Mr. Joshua Nkomo's Patriotic Front supporters demonstrated peacefully outside Parliament to demand the dismissal of the Finance Minister, Mr. Enos Nkala.

In two recent speeches Mr. Nkala has angered the Nkomo faction by calling for the establishment of a one-party state and threatening to "crush"

Mr. Nkomo, the father figure of Zimbabwe nationalism.

After the demonstration outside Parliament, Mr. Nkomo's supporters moved to the headquarters of Mr. Robert Mugabe's ZANU-PF and it was there that the fighting broke out.

Although the incident was a minor one, it reflects the widening rift and worsening relations within the governing coalition. Factional fighting could spread to the assembly camps where some 32,000 former guerrillas are becoming increasingly restive as they await retraining or resettlement. Two-thirds of the ex-guerrillas are loyal to Mr. Mugabe and the rest support Mr. Nkomo.

Some small towns remain under rebel control while Government forces hold the main population centres and key roads.

Most of the fighting by Iranian military units has been carried out by Revolutionary Guards in Sandandaj, the provincial capital of Kurdistan which is south of the main area of KDP control. Four Revolutionary Guards were executed on Tuesday. This was in retaliation for the execution of four Kurdish guerrillas.

The three-day executions followed a Kurdish demonstration in Sandandaj last week which was broken up by revolutionary guards. The guards have also suffered heavy casualties in fighting further south and close to the Iraqi border at Qasr-e-Shirin. They lost 19 dead in one ambush at the beginning of the month.

# 'Islamic autonomy' offer to Kurdish dissidents

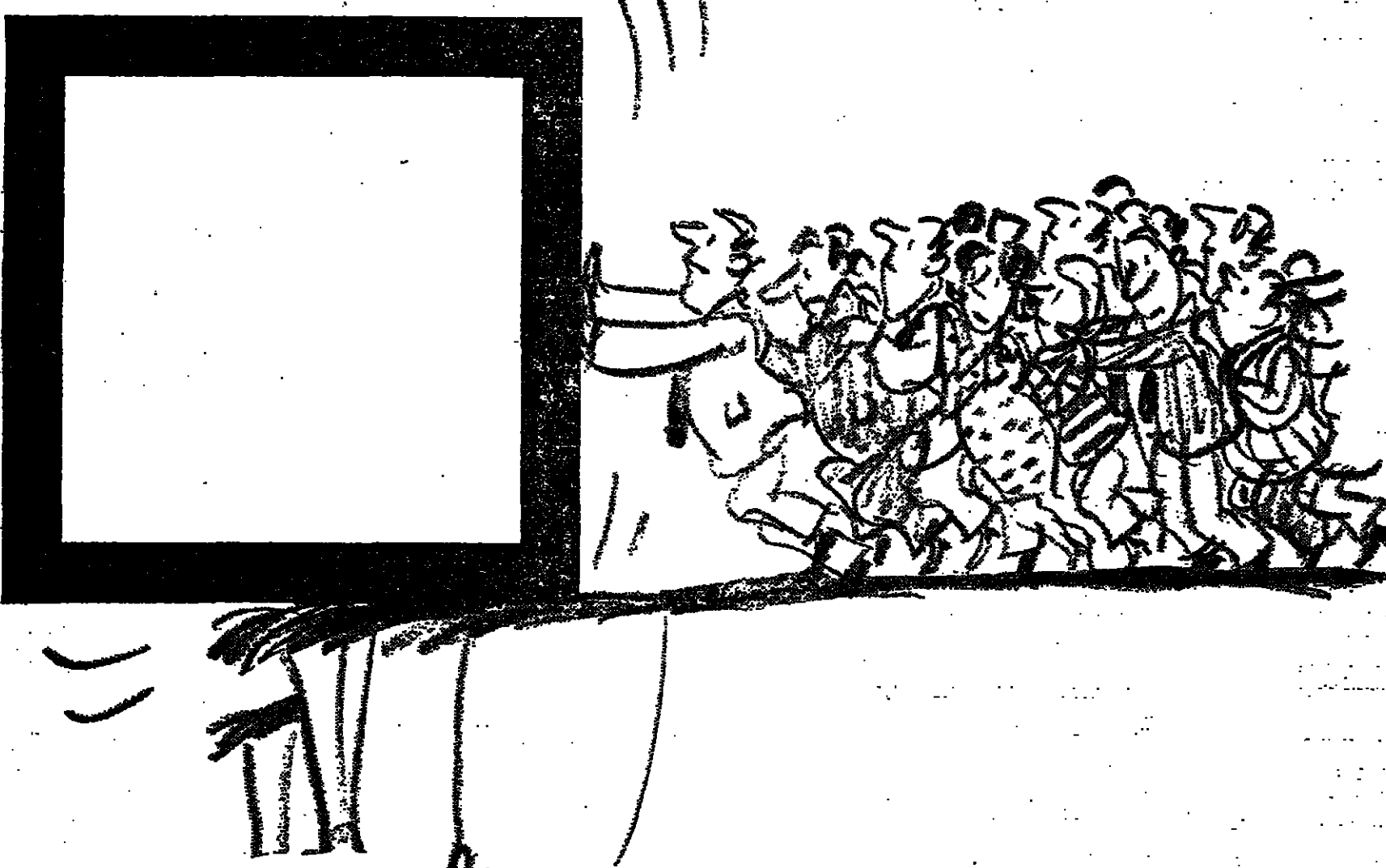
BY PATRICK COCKBURN IN TEHRAN

KURDISH REBELS have been offered "Islamic autonomy" by an emissary of Iran's President, Mr. Abol Hassan Bani-Sadr. The move is aimed at ending the simmering rebellion in Iran's western region.

Dr. Abder-Rahman Qassem, leader of the main Kurdish organisation, the Kurdistan Democratic Party, said yesterday the offer had been made by Mr. Bani-Sadr's envoy, Ayatollah Yahya Nouri. He has been in intermittent contact with Kurdish leaders for the last two months.

The Iranian army has not launched any significant attacks on the Kurdish guerrilla areas since the fall of the town of Banek close to the Iraqi border after heavy fighting at the end of May.

Nearly all the countryside and



# MYTH: Britain doesn't need its own Computer Industry

# REALITY:

Computers are a massive world industry that is growing. With the world becoming more complex, industry, commerce and governments simply can't function without them. So, with many industries on the decline these days, it's fair to say Britain can't afford to miss out in this crucial market.

Computers are also the world's third largest industry after petrochemicals and cars. The industry's turnover last year was estimated at an impressive £25 billion, making it the highest growth industry in the world.

Many countries have recognised this and have put massive support behind their computer industries. For instance, Japan and the USA both support their national computer industries intensively. This means that 98% of all public sector contracts in the United States are awarded to American computer companies, and 96% in Japan to the Japanese.

These countries, like Britain, have understood the potential and value to their economies of their own national computer industries.

Quite simply, to help build the future, Britain must stay ahead in high technology. We need to ensure the spin-off that will benefit other British industries. This means that we should never become totally dependent upon foreign systems. So, Britain does need its own profitable, competitive computer industry—and, at its heart, is ICL.

It needs the determination, faith and vision that has made a British company like ICL one of the leading international computer companies in the world today.

Don't decide on a computer company until you know about ICL.

International Computers Limited, ICL House, Putney, London SW15 1SW.

ICL



## AMERICAN NEWS

## Carter victory over voting at Democratic convention

BY JUREK MARTIN, U.S. EDITOR IN WASHINGTON

PRESIDENT JIMMY CARTER has won an important tactical victory over Senator Edward Kennedy in advance of next month's Democratic Party convention in New York, but appears to be no closer to bridging the deep divide separating the two Presidential contenders.

On Tuesday night, the party's convention rules committee responding to tightly imposed discipline, threw out a Kennedy challenge which, if it had been successful, could have turned the convention into a wide-open affair, shortening the odds against the Senator's nomination.

Mr. Kennedy has sought to invalidate the rule under which delegates to the convention are bound for the first ballot to the candidate to which they have previously pledged.

Mr. Carter has a lead of about 750 in the delegate contest and only by freeing the delegates to do what they want can the Senator expect to reverse his numerical inferiority.

The full convention will still have the opportunity to vote on the rule at the start of its deliberations, and the often bitter debate in the committee forebodes a sharp confrontation in New York.

The Kennedy forces claim that many Carter delegates would willingly defect from the President if they were free to do so, a contention sharply rejected by Mr. Carter's aides. They argue that there is no evidence that a single delegate will switch, let alone the nearly 400 needed for the Senator to carry the day.

But if the outcome in the committee was pre-ordained, the



Senator Kennedy... future ambitions could be dented

exchanges between the two sides amply demonstrated the depth of antipathy between supporters of the President and the Senator.

Mr. Carter's adherents charged that the Senator was intent on destroying the party and handing the election over to Mr. Ronald Reagan, the presumed Republican candidate.

The Kennedy camp argued that the President simply wanted to turn the convention, which ought to be deliberate, into a "robot-like" session.

If this were not enough, over on Capitol Hill, the Senator himself was criticising the Administration's energy policies, complaining that failure to hold down the cost

of oil was biting deeply into the pockets of the poor and the elderly.

Even at a practical level, it is becoming increasingly clear that simple communication between the Carter and Kennedy camps is minimal. This is likely to make it all the more difficult for the losing candidate to promise to support his conqueror's election campaign for the good of the party and the nation.

Mr. Carter's prospects in the general election would be seriously damaged if Mr. Kennedy were to sit on his hands and encourage his supporters to do the same, or to vote instead for Mr. John Anderson, the independent candidate.

But Mr. Kennedy must also know that any ambitions for 1984 and beyond could be dented if he is perceived as the man who saddled the country with Mr. Reagan—or who connived at Republican control of at least one house of Congress—in the eyes of many regular Democrats.

Unlike his two late brothers, who were both quintessential politicians, Mr. Kennedy is a mixture of ideologue and politician. The former characteristic militates against accommodation with Mr. Carter, while the latter may, in time, work the other way. But there is no hard evidence to date that the Senator is willing to offer the President an olive branch, and those around him are probably even less inclined to make a deal.

## Champagne exports to Britain decline

By David White in Paris

CHAMPAGNE exports have been on the decline this year—especially to Britain—for the first time since the 1974 oil crisis. But industry representatives in the Champagne region are uncertain about the extent to which the drop indicates a fall in demand and to what extent it reflects restraint in companies' sales policy in a bid to preserve inadequate stocks.

Exports in the first five months of this year were 20.2m bottles, more than 5 per cent below the level of the same period last year.

However, a recovery in the French market, where shipments were up 4 per cent to 42.8m bottles, left the overall shipments figure a fraction above last year's level of 62.6m bottles by the end of May.

Total shipments last year were 1 per cent down at 154m bottles, following a disastrous 1978 harvest which led to expectations of a much bigger drop. The drop was felt in the French market rather than in exports, which rose by 3 per cent to 55.5m bottles.

Cool and wet weather conditions so far this summer augur poorly for this year's harvest, and the champagne business is badly in need of another bumper crop like 1979's to bring stocks back to normal levels. Three years' supply in stock at the start of harvesting is considered ideal.

Britain lost its place as the main foreign client for champagne in the first five months, pipped by Italy. UK imports dropped by nearly 13 per cent to 3.73m bottles, while Italy's surged by almost 26 per cent to 3.97m.

U.S. imports, which reached a record 7.8m bottles last year, climbed again by more than a quarter to 12.1m in May. West German imports also rose, while Belgium's fell sharply.

In spite of the stagnation in sales, champagne companies' profits are still improving, with prices having overtaken the general inflation rate since last summer. This year's prices are generally expected to keep in line with inflation, forecast at 12 per cent—but much will depend on the grape prices agreed on at the start of harvesting. This is not now expected to take place before the second week of October.

## Venezuela to buy Canadian Telidon system

By Victor Mackie in Ottawa

VENEZUELA has decided to purchase Canada's Telidon electronic information system to carry a \$C750,000 public information service in Caracas. This is the first time in a month that Canada's two-way television system has been selected over international competition in a major foreign sale.

Telidon allows users to draw information along telephone lines from computers and electronic libraries to the screen of a modified television set.

Early in June a group of U.S. national agencies in Washington, including the Public Broadcasting System, the Federal Department of Health and Welfare and the Smithsonian Institute, chose Telidon for the first U.S. test of the retrieval service. That sale amounted to \$C475,000.

In both deals, Canada beat British and French competition. Canada's Federal Communications Minister, Mr. Frances Fox, said the Venezuelan deal was another major boost for Canada's electronics industry.

## Tough Third World stand on textiles

BY BRIJ KHINDARIA IN GENEVA

INDIA, on behalf of all developing countries, yesterday told the General Agreement on Tariffs and Trade (GATT) that the Third World is determined that the "reasonable departure" clause should not become a permanent feature of the multi-fibre arrangement (MFA).

This clause permits any country to completely halt growth of textile and clothing imports if they damage the interests of local producers. The clause was included in the MFA on the understanding that it would be used only by the EEC against imports from very dynamic Third World exporters such as Hong Kong, South

Korea, Taiwan and Brazil.

However, a study prepared for GATT shows that the clause has been used by almost all industrialised countries, including the Scandinavians, Canada and the U.S., to impose various kinds of restrictions against textile imports from a large group of developing countries.

This has provided ammunition for developing countries whose main argument is that the current MFA's "reasonable departures" clause helped industrialised countries to increase textile and clothing trade among themselves by 24 per cent compared with only a 12 per cent increase in trade with developing countries belonging

to the MFA. Meanwhile, industrialised country trade with developing nations outside the MFA increased by 26 per cent.

The Third World nations argue that the "reasonable departures" clause was never meant to promote trade expansion among industrialised countries. It was meant only to help ailing industries which now appear to be healthy.

Almost all industrialised countries argue however that it is too early to draw conclusions about the impact of the "reasonable departures" clause. The EEC insists that it must continue to have the right to curb imports for as long as it wishes, even if that means several years.

This view was backed by Sweden and other Nordic countries while the U.S. is still preparing its stand for the MFA renewal negotiations. Its position is complicated by the fact that it is now becoming the most competitive industrialised country exporter of textiles and clothing, selling even to Hong Kong and Taiwan.

The U.S. success has opened the possibility that the "reasonable departures" clause might be used by European countries against its exports. This has raised Third World hopes that the U.S. will take a more liberal position in the renewal talks which should begin by the end of this year.

## EEC to probe dumping complaint

BY GILES MERRITT IN BRUSSELS

THE FIRST in a promised "tidal wave" of anti-dumping complaints being prepared by EEC chemical producers against their U.S. competitors has now been accepted by the European Commission as the basis for a special investigation.

The Brussels Commission said yesterday it is launching a full-scale anti-dumping procedure to establish whether vinyl acetate monomer produced in the U.S. is being sold onto EEC markets at between 19 and

39 per cent less than U.S. domestic prices. The petrochemical product is used chiefly in the paint and adhesive industry.

The investigation follows a complaint prepared by CEFIC, the Brussels-based federation that groups EEC chemicals producers, alleging that dumping has helped the U.S. industry boost its European sales of vinyl acetate monomer by 58 per cent last year over 1978, and so gain 22.6 per cent of the

"non-captive" EEC market.

Last month, CEFIC disclosed that as many as 18 separate dumping complaints are being urged upon it by the European chemical industry to stem imports that are flooding in mainly from the U.S.

A senior federation official said that at the head of this tidal wave of complaints being prepared were products associated with vinyl acetate monomer, phenol and monomer styrene.

## Korea and UK discuss air links

By David Dodwell

BRITISH AIRWAYS and Korean Air Lines (KAL) may be flying directly between London and Seoul within a year, a KAL official said in London yesterday.

Detailed flight arrangements are to be finalised in November in Seoul, with representatives of Korea's Foreign Ministry and Transportation Ministry joining KAL advisers for talks with Britain's Civil Aviation Authority and British Airways.

Agreement in principle to establish direct air links was reached a month ago after talks in London.

KAL at present flies twice a week to Zurich and three times a week to Paris. It has no other European destinations. British Airways flies no closer to Korea than Tokyo. However, Cathay Pacific, technically a British carrier, will have aircraft linking Hong Kong with London and Seoul from July 16.

Michael Donne, Aerospace Correspondent, writes: De Havilland Aircraft of Canada has won orders for 73 of its new twin-engine 32-36 passenger Dash 8 airliner, which is complementary to the four-engine 50-seat Dash 7.

So far, 21 airlines and other operators have signed letters of intent to buy the Dash 8 since the first order was announced in April. U.S. customers account for 51 Dash 8s, Canadian customers for 13 and the rest will go overseas.

Scheduled to make its maiden flight in 1983, the Dash 8 will enter service in mid-1984. Prototype production will begin towards the end of this year at DEC's Ontario factory.

## Nissan to revise Taiwan plans

TAIPEI — Nissan Motor, one of the applicants attempting to set up a joint venture car assembly plant in Taiwan, is expected to submit revised plans to the authorities here in the next few days.

Announcing this, Mr. Richard Koo, Nissan's local investment representative, said the company will propose bearing 45 per cent of the total cost, an expected \$400m (£168m). Ten to 15 per

cent would be borne by government enterprises and the remainder by private investors in Taiwan.

Under the revised proposal, Nissan would achieve its goal of producing 200,000 cars a year annually about six years after starting operations instead of the originally planned eight years, Mr. Koo added.

He declined to disclose which

local concerns would participate in the joint venture.

Mr. Koo said Nissan had recently completed a survey of Taiwan's motor parts industry, which showed parts makers would need to invest \$800m to replace and update production facilities to keep pace with the fast development of the motor industry.

Reuter

## 'More joint venture laws' in China

TOKYO — Further laws on joint ventures in China could be enacted at the next National People's Congress in August and September, according to Professor Jerome Cohen, of Harvard University.

Dr. Cohen, a consultant for the present state and prospects for Chinese-foreign joint ventures said the proposed laws would cover corporate tax, personal income tax, foreign exchange control and corporate organisation.

He said there is growing recognition in China that, if joint ventures with outside interests were to be increased, then certain recognised basic conditions would also have to be accepted.

Dr. Cohen, a consultant for foreign businessmen operating in China and for the Chinese Government, said he expected patent and trademark registration laws to be prepared soon. Under the joint venture code, adopted by the National

People's Congress in July last year, foreign companies, enterprises, other economic entities or individuals are permitted to incorporate themselves as limited liability companies into joint ventures with Chinese companies, enterprises or other economic entities inside China.

According to the code, minimum foreign participation cannot in general be less than 25 per cent. Reuter

## Shipping report refutes 'open market' claims

BY WILLIAM HALL, SHIPPING CORRESPONDENT

MOVES TOWARDS the introduction of cargo sharing in sea transport have been accelerated following the publication of a controversial report by the Secretariat of the United Nations Conference on Trade and Development (UNCTAD).

The report, on the control by transnational corporations of dry bulk cargo movements, strongly attacks claims by the developed countries that the dry bulk shipping markets are completely open and highly efficient.

It claims that two-thirds of world seaborne movements of iron ore and an even higher proportion of the trade in alumina/alumina are controlled by transnational companies.

It also asserts that the international grain trade is domin-

ated by just five privately owned companies: Bunge, Cargill, Continental, Louis Dreyfus and Arnica.

Some companies, such as Louis Dreyfus, own their own shipping companies but, for the most part, they rely on long-term charters and contracts of affreightment. The report states that most of these arrangements are either concluded with "closely related parties" or negotiated privately with shipowners with whom the charterers have long-standing relationships.

The report concludes that the amount of tonnage contracted at "arm's length" on the open market is minimal. It adds that "these interrelationships present a formidable barrier to any new shipowner, especially one from a developing country

trying to break into sea transport operations."

Even independent shipowners do not escape criticism. "It is clear," says the report, "that some of the so-called 'independent' shipowners are not, in reality so independent, having been established by traditional shipowning interests wishing to conceal their involvement in flag of convenience operations."

This is believed to refer to owners such as Hong Kong's Sir Yue K. Pao, who was termed by one UNCTAD official recently as a "front man for Japanese money."

The UNCTAD report, prepared for the ninth session of the committee on shipping in Geneva next September, says that there is no valid reason why developing countries should not be more heavily involved in

the carriage of iron ore, alumina/alumina. It blames the transnational companies for not being more accommodating.

The report and its conclusions will only serve to heighten the rift between the developed and developing countries. At last year's UNCTAD V meeting in Manila a resolution (120V) was passed advocating cargo sharing in the bulk trades.

Developed countries voted against the resolution because they felt the proposals were "in direct opposition to the freely competitive environment, which was an essential feature of the bulk market."

They argue that bulk cargo sharing would substantially increase transportation costs and would have a serious effect on the trading interests of all countries.

## U.S. concern at gas price in Norway

By Our Oslo Correspondent

U.S. OFFICIALS are challenging the Norwegian Foreign Ministry and the Oil and Energy Ministry about the Norwegian price for natural gas, which under a contract from the Ula field where British Petroleum is the operator, has been raised for the first time to parity with oil.

The contract was negotiated by the West German company Gelsenberg, a subsidiary of BP, and the Norwegian State-owned company Statoil.

Mr. Egel Helle, of the Norwegian Oil and Energy Ministry, yesterday confirmed the agreement on price in the contract.

U.S. officials have stressed the importance of reducing the dependence of industrial countries on oil and of stimulating the use of natural gas. This change will take place more quickly if the price of gas is kept lower than the price of oil, they argue.

## Electricity rationing in Mexico City

BY WILLIAM CHISLETT IN MEXICO CITY

MEXICO's industrial output could show a decline this month as a result of severe electricity rationing introduced last week in the capital.

The cuts were made because a severe drought has caused the level of hydroelectric dams to fall considerably. The Federal Electricity Commission also says that there are technical problems with some generators.

Industry in Mexico City and the surrounding area, where about 50 per cent of the country's companies are based, has been asked to exercise restraint and close for one day a week.

So far the rationing is voluntary but the Government has warned that if industry does not pull its weight, stricter measures could be taken.

## GM sets economy target

DETROIT — General Motors said yesterday that it is committed to achieving a fuel economy average for its cars of 31 miles per gallon by 1985, with a fully redesigned range of U.S. cars.

GM also disclosed that it is planning to introduce a small electric car powered by zinc-nickel oxide batteries as a 1984 model. At a Press briefing the company displayed two experimental two-passenger cars.

Mr. E. M. Estes, GM's president, said the two vehicles could achieve 49 and 37 miles per gallon in combined city and long distance driving. While the two units were not scheduled for production, he said, they "point the direction GM is going."

He projected that four-cylinder engines will be used in 60 per cent of GM's cars by 1985, virtually displacing the V-8, which accounted for about 60 per cent as late as 1979. Mr. Estes said that by 1985, GM expects all of its cars to exceed 30 miles per gallon and 50 per cent to exceed 30 miles per gallon. AP-DJ

## Reagan's team: Doyens of the domino theory

BY DAVID BUCHAN, RECENTLY IN PALO ALTO, CALIFORNIA

CALIFORNIANS often like to think they determine the shape of things to come, and they will, if Mr. Ronald Reagan becomes the next U.S. President. It is considered highly likely that a President Reagan would lean more heavily on his lieutenants than his immediate predecessors, not only because of his age and his penchant for a measured nine-to-five working day. Mr. Reagan says that his style: appoint good men, let them get on with their jobs, and function as board chairman.

Inevitably, many of the "good men" Mr. Reagan knows are from his home state. Despite his longer experience as a national politician, Mr. Reagan has been just as influenced by his eight years as Governor of California as Mr. Carter was in Georgia. So, might we see a Californian mafia replace the Georgian?

Any well-prepared Presidential contender—and Mr. Reagan is that by now—has two sets of advisers: one to help him "win the revolution" and the other to help him run it, though there is some overlap. Mr. Reagan's campaign strategists—Mr. William Casey, the campaign direc-

tor, Mr. Ed Meese, his chief of staff, Mr. Richard Wirthlin, his pollster, and Mr. Lyn Nofziger, his press specialist (all of them California-bred or adopted, even prominently on Mr. Reagan's advisers' list, including Mr. Richard Starr, tipped for a foreign-policy job.

The institution has long been out of step with the rest of the academic world, perhaps because it took its tone from its founder. The late President Herbert Hoover admonished it to demonstrate the evils of the doctrines of Karl Marx—whether Communism, Socialism, economic materialism, or otherism—thus to protect the American way of life from such ideologies, their conspiracies, and to affirm the validity of the American system. But Hoover is now rejoining the mainstream of America because, says its director, Dr. Glenn Campbell, "the mainstream has moved."

Evidence of this is adduced not only from Mr. Reagan's triumphs in this year's primaries, but from conservative shifts in college faculties across the country. "Ten years ago, Nixon declared himself a

Kernesian. Now Jimmy Carter tries to be a monetarist," says Mr. Alvin Rubushka, a Hoover political scientist, whose model of economic perfection is free-for-all Hong Kong.

A glimpse of where Mr. Reagan is coming from—to use a Californianism—can be gleaned from Hoover's massive 850-page volume published this year: *The United States in the 1980s*. The Carter White House was intrigued enough to buy 52 copies. Its editors baldly state: "Contributors to this volume see a grand design on the part of the USSR, along with preparations for a nuclear war or political blackmail. A major effort should be made to contain Soviet expansionism, which that regime is driven by ideology and a need to demonstrate vitality and power."

Reliance on the Hoover think-tank has dangers for Mr. Reagan. It is a ready reservoir to be tapped in a Reagan campaign or administration, but its dogmatic certainties give an intellectual respectability to his conservative gut feeling. Those Hooverites who support Mr. Reagan seem aware that this could prove a trap, and like to

California being where it is, those at Hoover share Mr. Reagan's preoccupation with Communist infiltration in Central America. Their fear is that the dominoes could start falling right up to California's border with Mexico.

It may also be that the spirit of free enterprise breathes easier in California's eucalyptus-scented air, but the simple fact that Washington DC is 3,000 miles away must also have a bearing. Certainly the 1978 Proposition 13 decision in California to cut property taxes spurred on the work of "supply side" economists on the West Coast, most notably Mr. Arthur Laffer, whose work is the theoretical justification for the present Republican tax cut plans.

Calculating where the Soviets will strike next is a major concern at Hoover. Dr. Peter Duignan, a Middle East specialist, says he was on the need for a rapid U.S. deployment force for the Gulf a year before Mr. Carter. But

Mr. Reagan... help from Hoover

stress Mr. Reagan's pragmatism, as if they really hope that in his best interests he will ignore their more extreme ideas. "He is to the left of us on propping up Chrysler or the steel industry," Dr. Duignan says.

Nor is it really clear how many Californians of it Hoover variety would take Mr. Reagan shilling and move Washington. Dr. Duignan says he would not dream of California is too sweet. He keeps tennis balls in his car and wants to go on practising his serve at lunchtime.

**BRINGING IMAGINATION TO THE BUSINESS OF ENERGY.**

When we built our first LP-gas pipeline in 1960, people thought we were crazy. Well, we've been crazy enough to grow handsomely in sales and revenues, profits and dividends, every year since that first pipeline was built.

Today, we're a uniquely balanced energy company. Our various divisions produce and market coal, LP-gas, oil, gas and liquid fertilizers. And yes, we continue to expand and operate our pipelines.

In the next few years, we think it will take a certain kind of company to make it in the energy business. It will take more than oil wells, coal mines, or even 6,000 miles of pipeline. It will take imagination.

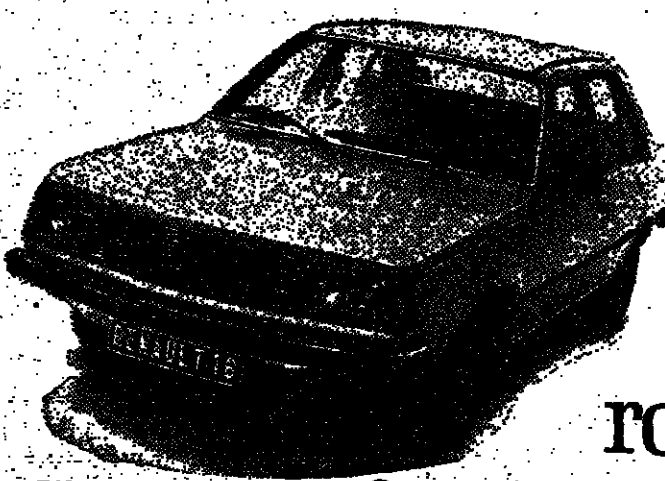
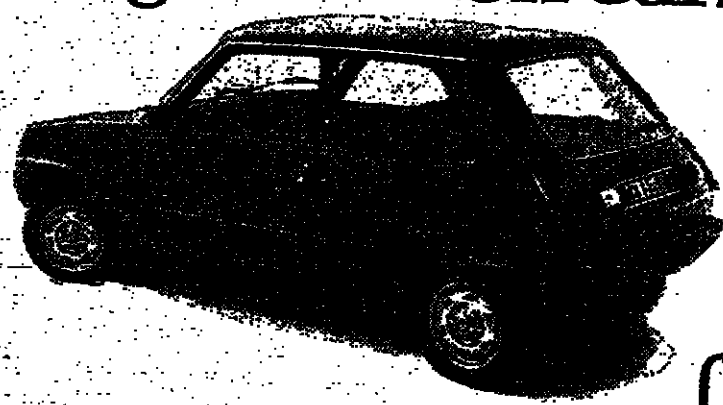
**MAPCO**

1805 S. Baltimore Ave.  
Tulsa, OK 74119 918-554-4571  
SYMBOL:MDVSEWNSDPSSE



# “avec”

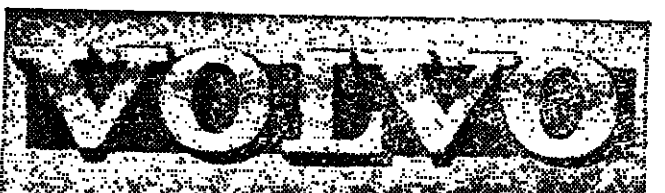
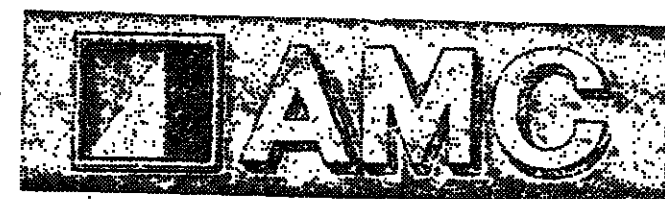
**Avec**\* 1 gallon of petrol, the Renault 5 TL will cover 57.6 miles\*\* (4.9 l/100 km). It's Europe's most economical small car. **Avec** more than eight million cars on the “autostrade,” “autobahns,” “autoroutes” and other motorways, Renault has become the N° 1 make in Europe.



**Avec** the Renault 5 and the Renault 18, we have two best-selling European cars. **Avec** EVE (Element for an Economical Vehicle) we are now completing a prototype that will give more than 62 mpg\*\* (4.5 l/100 km). That's a record. **Avec** EPURE (Element for the Protection of Users of the Roads and the Environment) we're preparing a much safer car for tomorrow.

**Avec**, in fact, symbolises the thinking behind our efforts, our know-how, our success. All of us at Renault are to be reckoned **avec**. Long live **avec**!

**Avec** four large international companies, Renault has recently signed significant agreements. **Avec** Mack Trucks, the well-known American heavy truck builder. **Avec** Sweden's Volvo Car Corporation, car safety and reliability champions. **Avec** American Motors, builder of the famous “Jeep”. **Avec** Bendix, experts in automotive electronics. **Avec** each one, Renault has established close links. **Avec** each one, we've already established a sense of co-operation that's rewarding for all. **Avec** expresses the kind of growth we believe in, our philosophy. **Avec** demonstrates our traditional company policy, a work-with, grow-together policy. **Avec**, in any language, is a word full of promise.



## RENAULT





## UK NEWS

# MG Abingdon plant to close in October

BY JOHN GRIFFITHS

THE MG cars plant at Abingdon is to close in October. All 800 workers — with the possible exception of a handful who might be found other work at nearby Cowley — are to be made redundant.

It became clear yesterday that BL has abandoned hope of a last-ditch rescue from the Aston Martin-led consortium which three months ago agreed in principle to take over MG production — but which has since been unable to come up with the £25m needed.

BL has tried, but failed, to find any alternative work for the Abingdon workforce. After the annual two-week holiday starting this weekend, they will return to a two-day week, producing 260 cars a week until the October shutdown.

These cars, plus the several thousand currently unsold in the U.S. — the MG's main market — are expected to provide American dealers with enough stocks to last until spring. It is likely that an MG-badged version of the Triumph TR7 will then succeed the current MGB two-seater.

Statutory notice of 90 days' redundancy for the Abingdon workers is to be filed with the Department of Employment this week.

Redundancy terms are still under discussion; but in view of what BL describes as "the exemplary work record" at

Abingdon, employees will receive a discretionary closure bonus over and above normal redundancy terms. Payments for most workers will probably vary between £2,500 and £6,000, with higher payments possible to very long term employees. Abingdon traditionally has had the lowest level of disputes and labour turnover of any BL plant; a substantial proportion of employees have 15 or more years' service behind them.

The men will be paid a full weekly wage until the plant closes.

The closure will have an impact on BL jobs beyond Abingdon: within the next two weeks orders will go out to several other plants to wind down production of MG components. The MG's bodies are made at Swindon, gearboxes and engines at Longbridge, and the bodies are trimmed and painted at Cowley. Several hundred jobs are likely to go at these plants, although BL said yesterday that it expected them to be affected by voluntary redundancy and natural wastage.

Union officials at Abingdon yesterday said that they were "shattered" by the news that no alternative work could be found. Mr. Eric Brind, union convenor, said he was "terribly disappointed" that talks in the last week aimed at finding such work had failed. "We shall have to soldier on now, and concentrate on redundancy and

severance pay," he added. About 100 other people are employed at Abingdon, in the competitions department and on engineering work for Cowley. They will almost certainly be relocated elsewhere.

The 42-acre Abingdon site is to be sold. In the hope of alleviating some of the unemployment Abingdon now faces — MG is much the largest employer — BL is talking to local authorities and trade associations about the feasibility of selling the site in small lots to encourage new, smaller businesses into the town.

The sale is unlikely to go far towards offsetting BL's expected loss of £20m on MG production this year. The site itself is expected to fetch perhaps £5m. Most of the plant and equipment is old and cannot be usefully deployed elsewhere.

The Aston Martin consortium has been talking to a potential Japanese financing source about a rescue. But since the weekend, when a board meeting was supposed to have taken place in Japan to decide on the deal, the consortium has lapsed into silence.

BL has said that even at this stage it is prepared to reopen discussions. But, it warned yesterday, the consortium has only about a week to come up with concrete evidence of its financial ability to effect the rescue.

## BL to sell Bounty only within EEC

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

BL WILL be excluded from selling the car it is to make jointly with Honda of Japan in countries outside the EEC.

If Spain, Portugal and Greece join the EEC, BL will still be excluded from those markets under the terms of its deal with Honda.

This emerged yesterday during BL's evidence to the House of Commons select committee on industry and trade.

Mr. David Andrews, executive vice-chairman of BL, said that the Bounty, the group's code name for the vehicle, would be built by Honda in Japan for its home market, North America and all other countries outside the Common Market as it is now constituted.

He told the committee that the engine and transmission for the Bounty would be imported from Japan as would the fascia panel which was a complicated plastic moulding not worth producing in Britain for the

relatively small number of cars involved—30,000 a year.

He repeated BL's assurances that "the UK content (of Bounty)" will be well in excess of half the cost of the vehicle.

But he was not able to give any indication of the number of Bounties which would have to be exported from the UK to cover the cost of importing the engines and transmissions and the royalty payments to Honda.

Questioned about the equipment recently installed at the Longbridge plant on which BL's other new car, the Metro, will be assembled, Mr. Andrews said his recollection was that more than 90 per cent of it originated in the UK.

Asked if the future of BL's volume car division really depended on the success of the Metro, due to be launched in October, Mr. Andrews replied: "If that car fails, it would put that part of the business probably beyond recall."

## Brewery switches to diesel cars

By John Griffiths

SCOTTISH and Newcastle Breweries is to replace its fleet of 1,100 petrol-driven cars with diesels.

This is believed to be the first such move in Britain by a big fleet operator.

S and N said yesterday it expected to save "hundreds of thousands" a year because of the diesel cars' lower fuel consumption.

The fleet will be phased in over the next three years.

The company said yesterday that investigations lasting two years had indicated the diesel fleet could provide a 100 per cent overall improvement in mileage, with halved maintenance costs.

The current fleet comprises BL, Talbot, Vauxhall and Ford cars. But they will be replaced by about 250 Peugeot, and a mixture of Volkswagen Golf and Passat, Opel Rekord and Citroen CX diesel models.

# Court Line accounts 'not true and fair'

BY CHRISTINE MOIR

THE 1973 accounts of Court Line, the tour operator which crashed in August, 1974, "did not give a true and fair view" of the company's financial health because of the "inadequate performance" of Robson Rhodes, the auditors, and the Court Line directors.

This is the finding of the professional standards committee of the Institute of Chartered Accountants in England and Wales, which has been following up the Department of Trade report on the company published in 1978.

"Wherever there was a doubt about the possible application of accounting practice, Court

Line chose the method which was most favourable to the profit for the year," the committee concludes.

There was also one item which "on any basis was incorrectly treated," namely the £5m post-acquisition expenditure on Dorset and Sunderland, which appeared in the subsequent accounting period as "goodwill on acquisition" rather than being charged to profit and loss account.

Although the committee believes that Robson Rhodes' audit approach "was generally satisfactory" there were a "significant number of areas where the particular audit prac-

tices... were... not adequate." Taken individually, none "constituted a fundamental weakness but taken together... they prevented a proper review being made of the 1973 accounts."

The committee's analysis, published yesterday, represents a severe censure for the auditors but no further action seems likely to be taken.

The committee has written to Robson Rhodes about the issues and has also made its own inquiries into the firm's current procedures.

As a result, it says, it is "satisfied that the weaknesses... are unlikely to recur

either individually or in combination."

The committee does not agree with the Department of Trade inspectors, however, that the accounts of Court Line, which was acquired by Court Line, should have received a qualified audit from Peat Marwick Mitchell in 1971 and 1972, and from Robson Rhodes in 1973, because it did not keep proper books of account.

Computer problems, the committee says, gave rise to the doubts about the accounts records but these were "not sufficiently severe to have led to audit qualification."

The general recommenda-

tions arising from the committee's enquiry "cover a number of grounds:

● Directors and auditors must satisfy themselves that financial items are not just treated properly in isolation but together must produce a true and fair account.

● Auditors must review the accounts as a whole both internally and with the company directors towards the end of an audit; the company board must ensure that this occurs. The committee also issues a general reminder to members of its institute who act as finance directors "to appreciate the scope of their responsibilities."

## Consett workers lobby MPs



BY ALAN PIKE

WORKERS from Consett steelworks, in County Durham, will leave the area with one of the highest unemployment rates in the country, with between 30 and 40 per cent of adult men out of work. There are no other large employers in Consett, which is geographically isolated.

The workers argue that after the redundancies last year, the plant has a good productivity record and is now in a position to be permanently profitable.

The British Steel Corporation has said that the demand for billets, small logs of wood used as fuel, has fallen because of the recession in the motor and engineering industries. BSC says closure of the plant is unavoidable.

The Consett closure is the last really sensitive item on BSC's rationalisation list, which is cutting 52,000 jobs in the industry, though further cuts are expected.

The closure of Consett steelworks, in County Durham, will leave the area with one of the highest unemployment rates in the country, with between 30 and 40 per cent of adult men out of work. There are no other large employers in Consett, which is geographically isolated.

The workers argue that after the redundancies last year, the plant has a good productivity record and is now in a position to be permanently profitable.

The British Steel Corporation has said that the demand for billets, small logs of wood used as fuel, has fallen because of the recession in the motor and engineering industries. BSC says closure of the plant is unavoidable.

The Consett closure is the last really sensitive item on BSC's rationalisation list, which is cutting 52,000 jobs in the industry, though further cuts are expected.

## Ship order for £20m may bring 750 jobs

By William Hall, Shipping Correspondent

CAMMELL LAIRD, the Merseyside shipyard, is about to clinch a £20m order for a 30,000 dwt tanker for the Royal Fleet Auxiliary that will provide employment for 750 men for more than a year. The shipyard has been hard hit by the delay in proposed public sector orders, and is desperately short of work.

Apart from the construction of two Type 42 destroyers for the Royal Navy, the 3,000 odd workforce has no other work.

In common with other RFA tankers, the new ship will be owned by a third party and demise chartered to the Ministry of Defence.

The Royal Navy said last night that the order was still subject to the negotiation of "satisfactory" terms. However, it seems virtually certain that Cammell Laird will build the ship.

### Cut-price bookings

AMERICAN visitors to London who take stand-by tickets on British Airways will, in future, be able to pre-book Grand Metropolitan Hotels rooms for £10-£15 a night, plus VAT, half the normal price of some accommodation.

### Housing bid

JUDGMENT will be given in the High Court today on the bid by eight London boroughs to block plans by the Greater London Council to transfer 55,000 council houses to them.

### Industry 'damaged'

THE GOVERNMENT'S monetary policy is causing grave damage to UK manufacturing industry, Sir Geoffrey Howe, Chancellor of the Exchequer, has been told by a team representing British industry managers led by Mr. Leslie Tolley.

### Missile accord

A EUROPEAN programme to build the U.S. Sidewinder missile for NATO air forces has been agreed between Britain, West Germany, Norway and Italy.

## C. T. Bowring director joins merchant bank

BY JOHN MOORE

MR. PETER STODDART, a main board director of C. T. Bowring, the insurance broker, resigned from the group yesterday. He has been appointed a consultant with Robert Fleming Holdings, the merchant bank, and will help the group in setting up an insurance broking subsidiary.

The move marks a major defection at C. T. Bowring following its recent takeover by Marsh and McLennan of the U.S. and Mr. Stoddart is the first of the Bowring family to leave.

Mr. Clive Bowring, another member of the Bowring family and chief executive of C. T. Bowring (Overseas), is also leaving.

Mr. Stoddart was chairman of C. T. Bowring (Overseas), and chairman of the underwriting agency company and the Bowring underwriting holdings company.

In recent weeks the Bowring group has lost several key staff, who largely appear to be setting up their own insurance operations.

Robert Fleming said yesterday that it was only considering setting up an insurance broking subsidiary. As a first step Mr. Stoddart and Mr. Bowring had been appointed consultants.

Men and Matters, Page 22.

### Airport profit

LEEDS/BRADFORD Airport, owned by the Bradford, Leeds and West Yorkshire councils, earned a net profit of £435,362 in 1979-80.

## Most pay deals in past year settled at 17-21%, says CBI

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

MOST PAY deals in the past 12 months were settled at between 17 and 21 per cent. The general level of rises higher in commercial companies than in manufacturing industry.

This is reported by the Confederation of British Industry, which expects the year-on-year increase in average earnings to reach at least 20 per cent by the end of next month.

This is higher than had been hoped for when the pay round began a year ago. Leading industrialists are preparing a CBI campaign aimed at perhaps halving the level of settlements in the next 12 months.

Reports from the CBI's Midlands region already indicate that recent deals have averaged 8 per cent.

The higher figures for the past year have been compiled by the CBI's pay data-bank, which has reports of 733 settlements covering more than 10m workers.

The figures are broadly in line with official Government statistics and show that, in spite of the sharp rise recently in the level of the retail price index, there has not been a correspondingly rapid acceleration in pay deals.

Allowing for wage drift and the effect of the Clegg awards in the public services, the CBI says that by the end of next month the year-on-year increase in average earnings will be 20 per cent, or slightly higher.

Some 6m workers were covered by 105 national settlements negotiated by employers' associations or fixed by wages council awards. The weighted average of national agreements is 17.5 per cent, and of wages council awards 20.6 per cent. But the impact of these settlements on earnings varies considerably because of additional plant-level negotiations.

The CBI has also been told of 12 major company settlements covering about 250,000 workers in commercial and retailing businesses. The weighted average figure for the commercial concerns is 21 per cent.

In manufacturing industry, reports of 626 settlements covering 145,685 employees produced a lower weighted-average figure, 16.5 per cent.

In the public sector, the CBI says that 15 settlements covering 2.5m public-service workers produced a weighted figure of 15 per cent, excluding Clegg awards.

A further 15 deals covering 1m employees in nationalised industries and public corporations mainly fell between 15 and 20 per cent, with a weighted average of just under 17 per cent.

About one-quarter of national agreements made some commitment to shortening the working week, although this concession appeared in a smaller proportion of company deals.

## Expanding home air mail

POSTAL NIGHT flights from Norwich Airport to Liverpool, introduced last summer to speed the mails, have been so successful the Post Office plans to expand them.

The Post Office wants either a second small aircraft, or to introduce a larger DC8 aircraft. The airport joint committee will discuss the matter on Friday. If a larger aircraft is to be used, the matter will be reviewed in six months time after the noise level has been monitored.

## Japanese pays £220,000 for a Ming jar

A CONTINGENT of Japanese visited Phillips, London, yesterday for the sale of Japanese and Chinese ceramics and works of art. A private collector offered them paid £220,000, the day's highest price, for a Ming jar.

The oviform jar is decorated in underglaze blue, iron-red, green and yellow enamels, with golden carp and other fish swimming among flowering lotus and waterweeds. Marchant gave £12,000 for a Netsuke model of a reclining ox signed in a polished reserve Kaigokunai with Masatsugu square seal. The sale totalled £349,000.

At Sotheby's, Leggett paid £100,000 for a Stubbs portrait of Joseph Smith on a grey hunter in an extensive river landscape. The sale of 17th, 18th and 19th-century British paintings realised £799,990.

The second highest price of the day, £50,000, was a record for the artist Henry Bernard Chalon. The work was bought by Baskett and Day and is a view of Sir Mark Masterman Sykes.

Another Chalon work was bought for £36,000 by Ackerman; a Fuseli vision of Lapland New York, at £22,000; and a portrait of a King's pattern table-service for £3,000.

Chinese jades and snuff-boxes made £4,665.

acting for the Department of the Environment, bought a portrait of Sir Arthur Wellesley, later Duke of Wellington, for £3,000.

In New York on Tuesday coins sold through Sotheby Parke Bernet made £97,516 with £17,610 paid for a 1915 \$50 Panama-Pacific Exposition octagonal piece.

Jewels sold by Christie's included a pair of potentially

### SALEROOM

BY PAMELA JUDGE

Flawless diamond ear-pendants which went to Graff Diamonds for £200,000.

A single-stone ring made £150,000 and a similar cut 6.05 carat stone ring fetched £75,000.

Kleinmann bought an emerald cut, potentially flawless, single stone ring of 7.32 carats for £59,000. The sale totalled £861,933.

Silver amounted to £98,375. Charles gave £5,800 for a German silver gilt two-handled bowl by Jacob Muller of Bremen, 1890. Montanaro paid £3,200 for a George IV shaped circular silver; and Jung, Germany, bought part of a King's pattern table-service for £3,000.

Chinese jades and snuff-boxes made £4,665.

# What's Australian for your urgent delivery?



**datapost**  
A ROYAL MAIL SERVICE

International Datapost. A fast, reliable delivery service to 17 countries. Fast because your consignment receives preferential treatment at every stage.

For instance, a consignment containing business papers or merchandise weighing under 10kg posted in London on Monday will be scheduled to arrive at major cities in Australia on Thursday.

Other countries Datapost delivers to include America, Canada, Hong Kong and parts of Europe. You can send business papers by Datapost to all these countries, and on some routes merchandise is also carried.

So in a world of growing international business, the name Datapost is growing as fast. For your urgent deliveries overseas call us on 01-432 1919/1920 or fill in the coupon.

To: Datapost Manager, FREEPOST, Room 319, Postal Headquarters, St. Martin's Lane, LONDON EC4A 3DF (No stamp needed). Please send me information on Datapost. DIFT/177

Name	
Position	
Company	
Address	
Postcode	
Tel. No.	

**datapost**  
A ROYAL MAIL SERVICE

مكثامن الفضل



# Dear oil may halt work on plant

BY MAURICE SAMUELSON

A £300M OIL-FIRED power station in Northern Ireland, under construction for the past 16 years, may remain only half-completed because of the price of oil and over-capacity in the province's electricity industry.

It is the 1280 MW Kilroot power station on Belfast Lough, designed at a time of low-cost oil. The Northern Ireland Electricity Service (NIES) has proposed converting two of its four generating sets to burn coal as well as oil, in line with the Government's energy policy.

However, the Government is believed to have refused to back the cost of such a conversion, which involves not only new boilers, but providing installations to handle coal brought in from Britain and the U.S.

The oil-fired part of the plant will be completed, but the NIES is in no hurry to bring it on stream. The first oil set is now expected to be operating next spring, three years later than planned.

The second oil set, the NIES says, is due to be completed in 1984. But whether it is ever used will depend on the future level of demand. This stands at about 2,000 MW a day. The NIES is eager to sell its

excess electricity to the Irish Republic, which is short of generating plant, and would also welcome such an arrangement. However, this depends on the restoration of the inter-connector between Ulster and the Republic, which was put out of action by the IRA five years ago. At least two attempts to restore the link have failed.

Ulster's abundance of electricity is also adding to the troubles of the Northern Ireland gas industry, which faces extinction because of the Government's refusal to connect the province to the North Sea natural gas gathering system.

In the Commons tomorrow, Mr. Harold McCusker, the Official Unionist MP for Armagh, will urge the Government to review its decision not to build a gas pipeline linking Northern Ireland with Scotland.

A claim that such a pipeline is economically feasible was published yesterday by Coopers & Lybrand Associates, the financial consultants. The company's study of the problem was carried out on behalf of the Northern Ireland Gas Employers Board of which Mr. McCusker is chairman.

The Government originally turned down the natural gas pipeline on the grounds that the scheme would cost £36m (at 1976-77 prices) and that British Gas consumers in Great Britain would be heavily subsidising Northern Ireland consumers.

Coopers and Lybrand points out that natural gas would be cheaper than the naphtha, from which Northern Ireland's town gas is made, and that the existing gas network could be expanded. The pipeline and associated investment would give a real return of 12 per cent, the report says.

## British Airways -top and bottom

By Michael Donne, Aerospace Correspondent

BRITISH AIRWAYS tops the lists as the most loved and the most disliked airline for overseas travel, according to a survey of passengers carried out by the International Airline Passengers Association.

The survey has shown that 18.7 per cent rate British Airways as the most preferred airline for travelling overseas, but another 32.7 per cent said it was the airline they would most try to avoid.

## Gilt-edged appetite 'is insatiable'

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

THE LIQUIDITY of the City's main financial institutions has fallen to a low level over the past few months according to a survey by stockbrokers Fielding Newson-Smith.

The brokers estimate that the spare cash held by insurance companies and pension funds at the end of June was about £1.8bn. This was roughly £500m lower than May and implies that most of these institutions are fully invested.

This follows large sales of gilt-edged stocks in recent months. The survey, based on replies from funds valued at about £26bn, was conducted before the exhaustion of three top stocks last week. The extent of their involvement shows that their spare cash will be even less than the survey indicates.

Fielding Newson-Smith argues that, since the domestic institutions seem to be well invested, the gilt-edged market could be due for a period of consolidation. But this process could prove short-lived if the foreigners' seemingly insatiable appetite for gilts continues.

Last week's cut in Minimum Lending Rate has been welcomed by brokers Simon and Coates. They say there is now clear evidence that the recession is reducing private credit demand and that the process of reducing interest rates is to begin.

Simon and Coates also suggest there may be a sharper decline in interest rates over the next few months. "Talk of waiting a few months before risking a further reduction takes little account of the nature of markets themselves and single figure short term rates seem very probable during the first half of 1981."

Commenting on the Wilson report on the City, brokers Phillips and Drew argue that the committee's discussion of monetary issues displays a lack of clarity regarding the appropriate objectives of monetary policy and confusion over the means of achieving these objectives.

The brokers say that it is remarkable that the Wilson report should support an underwritten tender system for official sales of Treasury bills to the discount market. They say the tender system should be replaced.

# Minister plans no changes in electricity supply

## Powell forecasts cut in energy prices

BY MARTIN DICKSON, ENERGY CORRESPONDENT

MR. DAVID HOWELL, the Energy Secretary, is expected to tell the House of Commons that he does not intend to make any statutory changes in the structure of the electricity supply industry in England and Wales.

The industry consists of the Central Electricity Generating Board, responsible for the bulk supply of power, 12 area boards responsible for retail sales, and the Electricity Council, a co-ordinating body which has a mainly advisory role.

The Government's decision is the final rejection of the Plowden Committee report of 1976 which argued that the industry lacked strategic control and direction, and recommended its unification under a single statutory body.

The Labour Government drew up a Bill which would have partially implemented the committee's recommendations, but fell when the Liberals refused to support it.

Mr. Howell is expected to stress that he wants to see closer co-operation between the various branches of the industry, but to argue that he already possesses the necessary powers to improve co-ordination.

The Government's decision will be generally regarded as a setback for Sir Francis Tombs, chairman of the Electricity Council. He had been keen to turn the council into a strong central body, along the lines recommended by Plowden.

The CEBG, whose relations with the council are uneasy, had been anxious to resist such a development.

This stems partly from the fact that the CEBG controls some 80 per cent of the industry's expenditure, giving it powerful political muscle, with the council being limited to a consultative role on both spending programmes and tariffs.

The Government has also been considering the possibility of giving area boards a mechanism for appealing against the CEBG's tariffs.

The Government is concerned about the efficiency of the CEBG, a monopoly which has no direct contact with the consumer, and has asked the Monopolies Commission to investigate its performance.

THE REAL price of oil-based energy will decline during the years ahead," Mr. Enoch Powell, MP for Down South, said yesterday.

"So plentiful and so fiercely competitive will be the sources of energy in general that many of those who are now investing heavily on the contrary assumption will be ruined," he told the Heating and Ventilating Contractors' Association in London.

Nothing was "more futile or pathetic" than the spectacle of governments telling their people to economise on fuel when the price of it was rising and, worse still, subsidising them to do so.

Mr. Powell said that the U.S. Government's policy of holding down production in the face of market demand was "sublime in its stupidity," but it could not do so for ever.

It was also a "strange delusion" to think that Middle East oil producers could hold the world to ransom. On the contrary, the OPEC countries had no choice but to lend to the rest of the world on capital account the exact amount of the oil surpluses which they receive on current account.

The reasons cited by those for and against British Airways was the standard of general service, meals and late flights.

Second in the list of preferred airlines was Swissair with Singapore Airlines, Lufthansa and British Caledonian third, fourth and fifth respectively.

Aeroflot, the Soviet airline, was the second in the list of airlines to be avoided, with Pan American third.

## Thames day

BOAT RACES and other attractions including fireworks are being planned by the Greater London Council for its "Thames day 80," to be held on September 13 on the river between Hungerford and Westminster Bridges.

## £4.3m plan to treble saw mill production

FINANCIAL TIMES REPORTER

A £4.3M EXPANSION and modernisation scheme has been announced by Riddochs of Rothiemay for its saw mill at Kilmallie, Fort William, Invernesshire.

The scheme brings some hope of new jobs to the Lochaber area which recently suffered from the closure of the Wiggins Teape Pulp Mills.

The plan will secure employment for the 100 saw mill workers and create 30 jobs over the next three years.

While not compensating for the loss of the pulp mill, it will sustain at least 60 related jobs in the Forestry Commission, benefit private forestry interests, bring additional spending and employment to service industries and save about £3m a year in timber imports.

Existing plant is to be replaced by computer-assisted automatic methods which will almost treble production. The development will be financed by public and private investment.

The Highlands and Islands Development Board is giving an interim relief grant of £363,000 and the Scottish Development Agency is investing £335,000 in preference shares.

Maycrest and Kirkhill Investment and Management, which bought Riddochs in 1978, is investing a further £100,000 in preference shares. Added support is provided by Midland Bank Industrial Finance through £225,000 preference shares, and other facilities from Midland Montague Leasing and the Clydesdale Bank.

Mr. Simon Fraser, chairman of Riddochs, said: "For the first time, this century anyway, there will be a sawmill in the UK able to match in terms of quantity and quality of output the best in Scandinavia, North America or anywhere else."

## Newcastle to stage trade exhibition

BY ANTHONY MORETON, REGIONAL AFFAIRS EDITOR

NEWCASTLE IS to launch a major business and industry exhibition in September as part of its Newcastle 900 promotion to mark nine centuries of existence.

More than 200 companies and organisations, many in the high-technology field, will take part in what the organisers, Newcastle and county Tyne and Wear, claim is the largest exhibition in the north of England since the Great Exhibition in Newcastle in 1929.

It will be held in the city university from September 4 until 19.

Its aim is to show what can be made in the area and convince potential new companies that the north east is as capable of supporting micro-electronic industries as of turning out the traditional engineering and shipbuilding products on which its original prosperity was based.

Launching the exhibition in London, leaders of both councils said that emphasis would be placed on the area's links with Scandinavia and the newer connections with the EEC.

The EEC is to hold a full-day conference in the second week and follow it with specialist seminars.

## £1m to boost fibre output

BY ELAINE WILLIAMS

McKECHNIE Refractory Fibres, part of the £200m McKechnie Brothers group, is investing more than £1m to increase its output of ceramic fibre for use in heat insulation.

The six-year-old company, which had a turnover of about £1.5m last year, hopes to increase the workforce at its Widnes factory from 30 to more than 100 in the next few years, through a joint venture with C.E. Refractories, a subsidiary of Combustion Engineering—a U.S. company with a turnover of \$3bn (£1,277m).

The expansion is to meet growing interest in energy conservation through heat insulation. The UK market is worth £2m and growing at a rate of 20 per cent a year.

## Wool textiles production drops

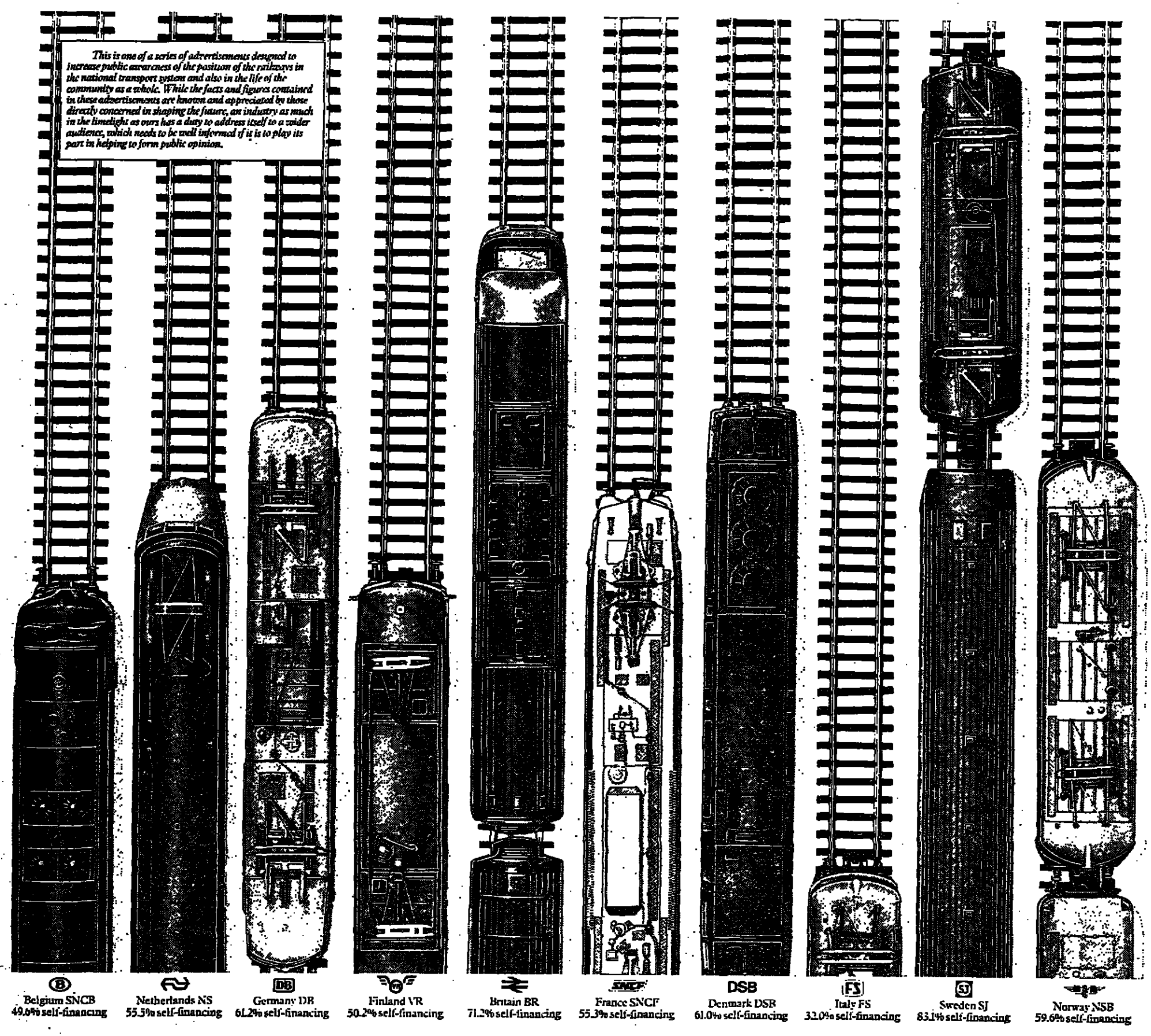
BY JAMES McDONALD

THE ONSET of recession in the textile trade is reflected in latest production statistics for the wool-textile and hosiery, and other knitted-goods sectors, published by British Business, the Journal of the Departments of Trade and Industry.

In wool-textiles, the volume of output index for March, seasonally adjusted, was 12 per cent lower than a year before. Wool Industry Bureau of Statistics shows that deliveries of woven fabrics, excluding blankets, were 6 per cent less than in March 1979, while deliveries of worsted yarns, excluding semi-worsted yarn, were down by 12 per cent over the year.

Production of wool and hair-tops showed a 6 per cent decline. There was a 14 per cent drop in output of man-made fibre tops.

In the hosiery and other knitted goods sector the seasonally-adjusted output index for the three months to end-April was 9 per cent lower than in the corresponding period in 1979.



# How long can we go on running the most cost-effective major railway in Europe?

## COST EFFECTIVE?

No railway in Western Europe is wholly self-financing. However, in Britain 71.2% of our costs (based on 1977 data) are covered by fares and charges—the highest net contribution to the cost of running a major railway in Western Europe.

Only Sweden, with a relatively small rail network, has a higher self-financing ratio than our own.

## A MARKETING ACHIEVEMENT

Here in Britain, where fares are comparatively high, more people are travelling by train than would be expected.

Passenger sales mileage in 1979 was the highest recorded in Britain since 1961, when the network was 30% bigger, and there were less than half as

many cars on the road.

The reasons are varied, but in part: We have a more extensive range of alternative fares—Awayday, Weekend Return, Senior Citizen, Student and Family Railcards; and the rates vary between routes according to market conditions and quality.

No other railway has adopted market pricing to this extent.

Our continued growth is, therefore, a measure of our commercial ingenuity.

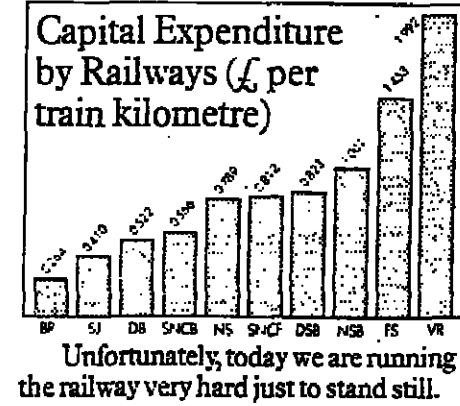
## THE PRICE OF SUCCESS

A recent study of European railways, based on 1977 data, showed that, apart from Sweden, the relative contribution our community makes to the cost of rail travel is the lowest.

This level of contribution was

pegged in 1975 and since then, in real terms, it has declined.

Most crucially, the level of investment—(see chart) that is, expenditure on renovation, replacement and improvement for the future—is also the lowest in Europe. The repercussions are obvious, as too many of our customers know.



To replace worn out assets, our current investment levels need to be raised by 30%. Without this extra investment, the consequences will be severe.

## THE TIME OF THE TRAIN HAS COME AGAIN

In a world beset by energy shortages, the prospects for the railways have never been brighter. It would be a pity if short-term problems were allowed to eclipse the prospects for rail.

With a far-sighted approach towards finance and investment, Britain can and will go on running the most cost-effective major railway in Europe for as long as the railways run.

THE SWEDISH EXPERIENCE Since the collection of data in 1975, the situation of the railways in Sweden has changed drastically. A massive injection of national funds has precipitated a reorganisation of investment plans and the fares structure. The experiment has really only just started but the first signs are that the railways have increased their relative importance in the transport network.

This is the age of the train ➡



# Business and Investment Opportunities

READERS ARE RECOMMENDED TO TAKE APPROPRIATE PROFESSIONAL ADVICE BEFORE ENTERING INTO COMMITMENTS

## Private Companies

Providing equity finance for unquoted companies and cash for their shareholders has been our business for nearly 50 years.

If you are exploring ways of raising finance for your company or its shareholders, telephone Colin Horan on 061-832 2234, Peter Carter on 021-236 4936 or David Wills on 01-248 3999.

## 1 CHARTERHOUSE

Charterhouse Development Limited, 1 Paternoster Row, St. Pauls, London EC4M 7DH  
A member of The Charterhouse Group.

## LLOYD'S BROKERS

Our client, a medium sized firm of brokers specialising in the USA market, wishes to develop in the oil and gas field of insurance, particularly in the USA.  
The opportunity offered would particularly suit either a team of people or an individual wishing to utilise their marketing and production expertise in this field for the joint benefit of themselves and our client.  
Any relevant business proposition would be considered carefully. The appropriate finance for such a venture would be available immediately.

For a discussion in confidence contact:

Dennis G. Dedman, FCA  
P. D. LEAKE & COMPANY  
Chartered Accountants, 28 St. John's Square, London EC1M 4BA  
Telephone: 01-253 9977

## Substantial Inflation-resistant Earnings Capital Appreciation—Wholly Tax Efficient DRY CARGO VESSEL FOR SALE

Full management available. 100% tax relief.  
Earnings £35,000 p.a. Price £225,000

£25,000 MORTGAGE AT 5% P.A. FIXED—2 YEARS  
Principals of a successful financial services company, capable of completing this transaction by Friday, August 8, 1980, need apply to present owners who wish to purchase a significantly larger vessel within the indicated time-scale. Preference will be given to responses indicating an ability to meet the stated requirements.  
Write Box G6230, Financial Times, 10 Cannon Street, EC4A 4BY.

## TURKEY

### INVESTMENT OPPORTUNITIES

We are a London-based merchant bank with a presence in Turkey since 1957, and are well placed to offer unique opportunities to European investors interested in:

- establishing manufacturing subsidiaries in Turkey
- making equity interest in existing Turkish industry
- entering into know-how/royalty agreements
- purchasing vessels from Turkish shippers (covering a wide range of specifications)
- investing in tourism

We invite you to discuss your requirements with us  
Please write Box G6233, Financial Times, 10 Cannon Street, EC4A 4BY

## SUBSTANTIAL INTRODUCTORY COMMISSIONS WITH NO LIMIT

Tax and financial advisers and others able to introduce companies expecting taxable profits in excess of £500,000 in the current year, can benefit from substantial commissions when any of these companies use the unique arrangements we have available to reduce or eliminate corporation tax, perfectly legally, and simultaneously provide an opportunity for commercial gain.  
Write Box G6255, Financial Times, 10 Cannon Street, EC4A 4BY.

## CHEMICAL COMPANIES WANTED

An International Group wants to acquire medium-size private chemical companies in UK. Continuity present management and potential for growth are regarded as important. All negotiations will be handled promptly by UK resident director in strict confidence.  
Write Box G6248, Financial Times, 10 Cannon Street, EC4A 4BY.

## ROBIN HOOD THEME PARK

The First stage Detail Planning Application was submitted to Mansfield District Council on May 23, 1980. The Final Detail submission is to be made on July 31, 1980. Companies interested in obtaining franchises or seeking an involvement in all categories should contact the Project Director.  
ADVENTURELAND LTD.  
13/14, New Bond Street, London W1Y 9PF  
Tel: 01-499 8386/7

## SPECIAL OFFER NEW IBM GOLF BALL TYPEWRITERS

Also available on  
Fully Recommended Models  
SALES/HIRE/LEASE PURCHASE  
FACILITY AVAILABLE  
AM Office Trading Company  
Tel: 01-545 9339...

## FINANCIAL GUARANTEES

Issued by Major Long-established  
Insurance Company  
Principals only  
Write Box G5717  
Financial Times  
10 Cannon Street, EC4A 4BY.

## OWN BRAND PRODUCTS

Manufacturers with comprehensive  
personnel, liquid and paste filling  
plant, plus development laboratory,  
offer production facilities any type  
of D.I.Y. household or industrial  
chemical product.  
Write Box G180, Financial Times,  
10 Cannon Street, EC4A 4BY.

## AGENTS REQUIRED

To sell Post Office certified  
approved supplier. Fast growing  
and profitable market. Excellent  
support from National Advertising  
plus Promotional Back-up Material.  
CCC Marketing Electronics Ltd.,  
Widdowhall Road, Farnham,  
Surrey GU10 4PL.

## VENTURE CAPITAL LOANS

Available for new projects, start-  
ups, new ventures. Financials  
involve all types of legal, financial  
and business proposals.  
Submit details (typewritten) to:  
Box G6210, Financial Times,  
10 Cannon Street, EC4A 4BY.

## LIMITED COMPANIES FORMED BY EXPERTS FOR £25 INCLUSIVE READY MADE 255 COMPANY SEARCHES

Express Co Registrations Ltd.  
Epsom House  
25-26 City Road, EC1  
01-622 5634/5; 7301, 8936

## DIVERSIFY INTO LEISURE —WITHOUT RISK OF LOSS

A small number of successful public and private companies with taxable profits in excess of £250,000 are offered participation in a multi-million pound venture which must benefit from the worldwide growth of leisure industries. Very attractive tax advantages provide a guarantee that investing companies CANNOT LOSE MONEY.  
Investments of £100,000-£1 million must be available for injection within the next two months.  
For full details without obligation, just write your name on a company letterhead and post to me today.  
Managing Director, Dept. FFA,  
Ackrill Carr and Partners Limited,  
Tricorn House, Hagley Road, Birmingham B16 8TP  
(We regret no telephone enquiries can be accepted)

## OUTSTANDING OPPORTUNITY FOR Major U.K. and European Distributor

Revolutionary computerised electronic products designed and developed in USA currently enjoying exceptional sales and sales growth rate in USA, Australia and South East Asia.  
Our client company is offering the right to market these exciting new products to retail and business houses.  
Offered as a whole or separate countries or regions by negotiations. Applicants should be able to demonstrate the ability to appoint a network of dealers and establish a letter of credit to fund stock holdings. High gross profit margin will generate excellent cash flow and profits on anticipated turnover of £10 million p.a. at wholesale prices.  
Possible UK assembly envisaged under licence.  
Confidential replies in writing with financial resume to reach address below by July 11, 1980  
MESSRS. JOLIFFE CORK & CO.  
Chartered Accountants, Euston House, 15/20 St. Andrew Street  
London EC4A 3AE - Attention of G. D. Thomas

## A NEW INVESTMENT PACKAGE FROM NORTHAIR—CESSNA

### THE CORPORATE AIRCRAFT SPECIALISTS

Successful companies or individuals with surplus cash reserves can now generate additional revenue by investing in a corporate aircraft.  
A corporate aircraft qualifies for capital allowance which means that a profitable company can write off the total cost of the aircraft in taxation over one year.  
To maximise your return on capital, Northair operate an exclusive buy-back leasing service as a revenue generator for those who also seek a capital return.

For further details contact:

The Chief Executive  
NORTHAIR AVIATION LIMITED  
Leeds/Bradford Airport, Yeolton, Leeds LS19 7YG  
Tel: (0532) 502251 Telex: 557145

## LICENSING OPPORTUNITY IN GERMANY

German division of multi-million pound international company seeks to widen its range of body care, personal hygiene and household products via licensing or acquisition. Large sales force calling on all major drug and food outlets. Manufacturing facilities available.  
Please reply in confidence to Box G6235.  
Financial Times, 10 Cannon Street, EC4A 4BY

## WEST MIDLANDS ENGINEERING OPPORTUNITY

An established Birmingham Company under new, financially strong ownership is anxious to expand its engineering services activity through both the acquisition of existing businesses and the introduction of new lines. Enquiries from family businesses or demerger situations in the Wolverhampton and Coventry areas valued in the range £50-500,000 of particular interest.  
Principals or their accountants only to Box G6234.  
Financial Times, 10 Cannon Street, EC4A 4BY.

## HAVE YOU A PROBLEM?

Are you petro-chemical, gas, oil or marine civil engineering in the UK or overseas?

—PERHAPS WE CAN HELP—

We are specialist Mechanical Engineering Company with experienced teams of Coded and Patter Welders; Mechanical and Pipe Fitters; Test Operators; Instrumentation Electrical and Pre-Commissioning personnel, etc., with our own equipment.

Telephone: Jack Proberts  
Burgh Heath 60012

NUNGRUN LIMITED  
12 Canons Lane  
Tadworth, Surrey

## VENTURE CAPITAL WITH EQUITY

Our client wishes to raise £100,000 and is prepared to finance an extra £25,000 himself, to establish a fast commercial repaying centre with the very latest Italian spraying equipment. Principals only to reply to:  
D. A. Turnbull, FCA, TURNBULL & CO.,  
Chartered Accountants  
Princes House, 17/19 High Street, Aldershot.  
Telephone: Ald. 0252 (STD) 2766.  
Telex No. 855140 (Ref. E.L.)

## OIL, GAS & COAL

Profitable U.S. quoted company with interests in the above is shortly placing a loan stock/equity package. Minimum subscription under £2 million. Qualified investors can obtain full details direct from principals by contacting:  
G. L. Taylor, FCA  
LONDON WALL INDUSTRIAL CONSULTANTS LTD.  
15 South Molton Street, London, W1 - 01-629 9891

## FOR INSURANCE COMPANIES

with large UK cargo and/or  
fire, burglary portfolio  
A firm of loss adjusters specialising  
in these classes of business seeks  
a 50% merger with such a  
company.  
For further enquiries  
Please telephone 0453 37447

## EQUIPMENT LEASING

Financial Leasing facilities available  
in respect of plant, machinery and  
equipment in the price range  
£500-£15,000.  
LOCANA LEASING LIMITED  
Chancery House, Chancery Lane,  
London WC2A 1QP.  
01-831 8836.

## AIRCRAFT

CESSNA 421C GOLDEN EAGLE  
Choice of two—1979 or 1977  
Both meticulously maintained. Can  
be sold separately. Make us an  
offer and see if we accept.  
01-941 4095

## PRODUCTS FOR SALE

Instruments sold to the Building &  
Agricultural Trades 1978-79 £200,000.  
7% Export  
Company urgently in need of cash  
so must sell. Fully tested, com-  
plete drawings, etc.  
Ring TUNBRIDGE (0732) 344002

## KITCHEN MANUFACTURING UNIT

£20,000 in Laminated Factory  
Currently manufacturing successful  
high quality range of kitchen units  
for residential and commercial  
outlets in the North West. For sale  
as a going concern including leased  
premises, plant, fixtures, stock-in-  
trade, etc. Excellent sales and profit  
potential. Details from:  
JOHN W. HIRST & CO.  
Chartered Accountants  
28 Queen Street, Albert Square  
Manchester M2 8JL  
Tel: 061-534 6053

## PARTNERS WANTED

In a few UK regions to handle sales  
and distribution of premium products  
in booming consumer market. In-  
vestment: £15,000, incl. start-up  
stock.  
For details please write to:  
Box G6232, Financial Times,  
10 Cannon Street, EC4A 4BY.

## GOLD SOVEREIGNS AND KRUGGERANDS

FREE ADVICE AVAILABLE  
Phone Mr. Cavendish or Mr. Woods  
0204 24315/47541  
SHAW CAVENDISH & CO.  
(Bullion Dealers)  
Cavendish House, Chester

## SPARE FLOORSPACE! TAXABLE PROFITS!

Use your existing space, reduce  
your potential tax liability and join  
the forecast 1980s boom in home  
entertainment.  
Write for full details to:  
Box G6234, Financial Times,  
10 Cannon Street, EC4A 4BY.

## ATLANTA GEORGIA SOUTHEASTERN US

Investment  
Commercial  
Industrial  
Residential  
Recreational  
LAND  
FOR SALE

Will develop, joint venture  
or manage projects.  
Contact Paul T. Zantinger  
Hooker/Barnes  
Land Division  
2175 Parklake Drive NE  
Suite 250  
Atlanta Georgia 30345  
404-939-4430

## OFFSHORE COMPANIES & BANKS

Formed expertly and speedily in tax  
havens such as the Bahamas,  
Netherlands Antilles, Cayman, Turks  
and Caicos, Montserrat, Panama.  
Professional Management also.

## FREE BOOKLET TRANSCONTINENTAL FINANCIAL CORP. LTD.

P.O. Box N-4826  
Nassau, Bahamas  
Tel. (809 32) 5-1126

## CHANNEL ISLANDS

Reputable local company wishes  
to establish a manufacturing  
unit in the islands, producing  
products for export, and is seek-  
ing a suitable project in which to  
invest, or to purchase. All  
replies answered and treated in  
strict confidence.  
Write Box G6221  
Financial Times  
10 Cannon Street, EC4A 4BY

## Franchise

The magazine for people who want  
to get into business on their own or  
to join a proven franchise system, and for com-  
panies who wish to grow through  
franchising. A James House, 37 Notting-  
ham Road, London SW17 7EA. Tel.  
(24-hr) 01-767 1371.  
at the heart of franchising

## BULK BUYER OF CHAIN STORE SECONDS

A wide range of quality seconds in  
ladies', mens' and childrenswear at  
competitive prices urgently required.  
Call Bradford 0274 25176  
Christopher Bean Textiles Ltd.,  
205 Worsgate Road, B1 3AD  
Telex 51440 for BEANTEX

## FURNISHED LONDON OFFICES avail. full part-time. All services including secretarial, Telex, telephone and accommodation. 2000 sq. ft. modern office space. Central. 01-836 8916.

## CONSERVATION MAGAZINE seeks national publisher's services. For further details, current issue, literature, 01-835 4875.

## START AN IMPORT/EXPORT AGENCY.

No capital required. Established over  
30 years. Large S.A.E. Wages. Des. F.  
P.O. Box 9, Southport, Merseyside.

## FIBREGLASS Moulding Company seeks merger or possible partial or complete sale. In South, not South. Strong of orders, contacts, technology and de- veloped own products. Details only write Box G6235, Financial Times, 10 Cannon Street, EC4A 4BY.

## PLANT AND MACHINERY

25% REDUCTION  
Owing to the strength of the £, we  
have reduced prices by 25% on  
all stock, to encourage  
early orders.  
Pallet Trucks from £150  
Reach Trucks from £300  
Gas Trucks from £1,000  
Electric Trucks from £1,200  
Diesel Trucks from £1,200  
All trucks finished in manufacturers  
colours, and ready for  
immediate use.  
BIRMINGHAM  
FORK LIFT TRUCK LTD.  
4-8 Hams Rd., Salford, Birmingham.  
Tel: 021-327 504/5 - Telex: 527025

## NC MACHINING

Cap. immed.  
available 9 mths.  
V & H mch. centres  
& CNC lathes  
Write Box G6231, Financial Times,  
10 Cannon Street, EC4A 4BY.

## UK NEWS

Elaine Williams looks at the economics of glass recycling

## How empty bottles are melting into money

TURNING BROKEN glass jars into shiny new bottles is no longer just an environmentalist's dream. It is now an important part of glass making—highlighted last week by the opening of Britain's second major recycling plant by Rockware Glass at Knottingley, Yorkshire.

The industry's two major glass container manufacturers, Rockware Glass and United Glass, owned by the Distillers Company, and Owens Illinois, have invested £750,000 in recycling plants. They process waste glass through the "bottle bank" scheme—the public collection system now run by many local authorities.

Overall, the industry's target is to recycle 150,000 tonnes of waste glass, called cullet, every year for an equivalent energy saving of 4m gallons of oil or £1.5m. Every tonne of glass recycled saves 30 gallons of oil.

At present, 18,000 tonnes of glass are being recycled but Rockware Glass and United Glass plants are each able to process 50,000 tonnes. United Glass is considering building another plant near its glass container factory at Harlow, Essex. Redfearn National Glass of York, CWS Glassworks of Worsop and Beaton Clark in Rotherham—are involved in the "bottle bank" programme as well.

Cullet is a standard ingredient of glass making—soda ash, sand and limestone—melt more quickly in the furnace.

The UK Glass Federation says that every 10 per cent of cullet

used in this way saves 2 per cent in energy.

In Britain, 20 to 30 per cent cullet is used in making new glass bottles and jars although 50 per cent will eventually be the norm. In Switzerland, where glass makers pioneered recycling, 85 per cent cullet is now used to make green glass.

The housewife throws away thousands of tons of glass a year. In 1978, for example, Britons bought 1.5m tonnes of glass containers, of which 60 per cent ended up in the dustbin.

The glass industry decided to look into the economics of recycling in the early 1970s after pressure from conservationists. A public opinion survey showed that people were loath to throw away empty bottles.

Energy saving has been another increasingly important factor since the 1973-74 oil crisis.

Britain's first experiment in glass recycling carried out by Redfearn National Glass and York District Council in 1974, failed because the door-to-door collections made by the council proved too costly.

The industry then looked to successful schemes in Switzerland and Germany involving "bottle banks" where the public could deposit empty bottles themselves.

The first British "bottle banks" were set up in 1977 by the Glass Manufacturers Federation in Oxford, South Yorkshire, Colwyn Bay and Southampton. By November, 1979 the scheme had been extended to 45 towns and cities.

Today, 55 local authorities covering 100 towns are involved, with more than 230 bottle banks in use. By 1981, the federation hopes 200 towns will have banks.

Each skip or bottle bank has to collect 1.5 tonnes of glass per week to be economic. The federation says the national weekly average is 1.65 tonnes although local variations produce extremes of 0.7 tonnes and 6 tonnes per skip.

Local authorities can save an average of £3 a tonne in waste disposal costs. The federation estimates the average overall cost to authorities running the bottle bank scheme at just over £15 per tonne of waste glass. Glass manufacturers pay up to £10 a tonne, so that areas with a good response can even make a modest profit.

Domestic cullet recycling is carried out throughout Europe, most successfully in Switzerland, West Germany and France.

In Switzerland 72,000 tonnes of cullet, representing 11.5 kg of glass containers per head of population, was recycled in 1978. Over 45 per cent of starting material for glass making is cullet.

In West Germany the glass industry has undertaken to recycle 450,000 tonnes of glass this year. In the longer term it hopes to recycle 900,000 tonnes annually.

France recycled 300,000 tonnes last year but aims to increase this to 600,000 tonnes of glass in 1983. Large recycling programmes are also underway in the Netherlands and Belgium.

Gareth Griffiths on a liqueur battle

## A creamy market

THREE OF the country's Big Six brewery groups—Allied, Whitbread and Grand Metropolitan—are about to engage in battle for the cream liqueur market, the fastest growing sector of the UK drinks industry.

The cream liqueur market, which became important in this country only five years ago, has been one of the main reasons why last year UK liquor sales topped the £100m mark. Since 1975 cream liqueurs have shot up from practically nothing to a clearance figure of more than 300,000 cases in 1979 worth more than £20m.

This year clearances are expected to rise for cream liqueurs by another 50 per cent, and by 1985 analysts predict they will have a UK market of around 1.5m cases cleared per year. This would be larger in volume terms than the total liquor market at present. Customs and Excise estimates put the 1979 number of liquor clearances at 1.3m cases.

Cream liqueurs have gone down well with the public mainly because of their adaptability. Younger people, who provide the crucial market for liqueurs, have not yet labelled cream liqueurs as a drink for the middle-aged.

International Distillers and Vintners, part of Grand Metropolitan, has proved the beneficiary of the boom so far. It owns Baileys Irish Cream Liqueur, which, it says, accounts for 95 per cent of total cream liqueur sales. Baileys is the most popular liqueur in Britain and one in five liqueurs bought will be a bottle of Baileys Irish Cream. That proportion is rising, and IDV expects sales to go up by 50 per cent this year.

Baileys is imported from Ireland and is chocolate flavoured with Irish whiskey as a base. It was launched in 1975 and proved to be an immediate success.

The size of the market Baileys had discovered excited other companies. The profit margins for liqueurs, as with other wines and spirits, have been under pressure for some time and, although there are signs of some revival, most wine merchants put them at about 3 per cent. A new boom product is therefore very welcome.

Allied and Whitbread jointly control a liqueur company, J.R. Phillips, based in Bristol. Phillips has dealt as UK agent for Co. J. Co. and agent for Chartreuse. It is now engaged in promoting a rival to Baileys, Carolans.

Carolans is a honey flavoured Irish cream liqueur and was launched last July in the areas covered by Harlech Television and Granada, i.e. Wales, the West of England and the North. It was launched nationally in March. Phillips plans a full-scale advertising campaign which will inevitably centre round television; and the company hopes to wrest a 25 per cent market share for Carolans. The company says Carolans has gone down "very well" so far.

Drinks companies are reluctant to give out their trading figures, although Phillips says it has established Carolans as the number two cream liqueur. It is not prepared to release figures on volume clearances.

IDV says its surveys show Carolans with only a 1.5 per cent share of the cream market and that the number two spot belongs to its latest brand, John Downlands Greenleaves. Greenleaves, a mint liqueur, was produced to consolidate IDV's hold on the market.

Competition will intensify in the autumn as 65 per cent of cream liqueur sales are made in October, November and December, in the run-up to Christmas. Liqueurs have been traditionally heavily dependent on advertising. Last year, IDV spent £400,000 promoting Baileys, mainly on TV. This year, it will have the additional expense of a campaign to promote Greenleaves.

Phillips, backed by the resources of Allied and Whitbread, has also indicated that it will advertise heavily, again predominantly on TV. Both companies are arranging fastings for the trade and promoting links with the distributors.

## Hoey extradition case adjourned two months

EXTRADITION proceedings against Mr. James Hoey, a consultant and insurance specialist, were adjourned until September 10 by Bow Street Magistrate Court yesterday.

The defence lawyers are awaiting further evidence from Australia.

The Australian Government is seeking Mr. Hoey's extradition to face a charge in Australia of falsifying documents in Sydney in 1975. The charge relates to a receipt for A\$100,000.

The court was told that there was a large amount of papers that the defence lawyers had not yet been through and further evidence was on its way from Australia.

## Blaenau Gwent pronounced success\*



Blaenau Gwent [bly-nie gwent] is a borough of Gwent, South East Wales. A highly developed area for new industry with impressive record of success. C. Some times referred to as the special Special Development Area because financial and other incentives top Europe's best. Hence, assoc. with phrase "Opportunity in search of industry" a trans. adaptable and stable workforce with first class industrial record II to B.G. [ot to do as B.G.] to take advantage of best business opportunities going III. So Bl. Gwent is having maximum chance of business success.

1b. From our point of view it was a real B.G. B.G. We couldn't afford to miss a genuine B.G. like this. 2. In order to solve our productivity problems, we needed to do a B.G. 3. Opportunities don't come more B.G.ish than this.

\*Pronounced success by a wide range of companies Grundy Auto Products Ltd. H.W. Hay Glass Ltd. Alfred Taves Ltd. Natural Gas Tubes Ltd. Midland Oil Refineries Ltd. English Gases Ltd. Control Dies Ltd. Manganese Mining & Manufacturing Co. Ltd. Danum Ltd. Compton Ltd. Gledhill Ltd. Midland Road Ltd. Talcum Ltd. D.D. Bells (UK) Ltd. Industrial Rollers Ltd.

Please contact Roger Leadbetter, Chief Executive, Blaenau Gwent, Ebbw Vale, Gwent, Tel. Ebbw Vale (0493) 56944.



# Women's rights 'seen as luxury'

BY PAULINE CLARK, LABOUR STAFF

RESENTMENT at lack of progress towards equality for women and deterioration in the standard of their pay and jobs last year was reported by the Equal Opportunities Commission yesterday.

In its fourth annual report to Mr William Whitelaw Home Secretary, the Commission, headed by Lady Lockwood, also forthrightly criticised Government policies in areas which it suggests are frustrating its aims.

The report paints a depressing picture of the economic climate is having on working women. It indicates that equal opportunities are being treated as a luxury the country cannot afford, while morale is being further damaged by proposed laws on immigration and on maternity rights.

The effects of the economy were shown most clearly however in women's earnings and employment trends last year. Between 1977 and 1978, women's gross hourly earnings had fallen from 75.5 per cent to 73 per cent of men's earnings.

Expressing "alarm" at the trend, the Commission predicts more deterioration "until the Sex Discrimination Act is being implemented in full force."

On women's job trends, the Commission reported that while male unemployment fell between 1978 and December 1979, female unemployment rose by some 5 per cent.

This rise, combined with the increase in the inflation rate from 8.4 to 17.2 per cent during that period had contributed to growing insecurity and uncertainty among women, the Commission said.

"Taken together with the view increasingly openly expressed, that the place of women is in the home, this has had the effect at once of encouraging an inclination to shelve equal opportunities policies as a luxury which the nation cannot afford and of increasing the sense of frustration and resentment among many women."

The Commission repeated its view that its work "can only be effective... in the context of national policies which broadly speaking, work in the same direction."

It said the outcry which accompanied the Government's proposed immigration rules had led many to "call into question the viability and effectiveness of the EOC set up to promote the principle of non-discrimination."

It said that other Government policies appear to run contrary to that principle.

The proposal to remove some of the present maternity leave benefits had also given rise to concern.

The present Equal Pay Act came under harsh criticism for being too rigid. This was shown in the "substantial" number of inquiries on equal pay which the Commission was unable to deal with because there appeared to be no remedies under the Act.

# Award returned to AIMS

By Nick Garnett

SHEERNESS Steel, under the threat of industrial action, returned an award yesterday made to it as a reflection of its industrial relations record.

Following talks between the company and officials of the Iron and Steel Trades Confederation the company agreed to send the small wooden block and plaque back to AIMS, the free enterprise organisation.

AIMS said it had presented the award largely because of the splendid industrial relations, achieved over a period of time, at the private steel makers.

The workforce at Sheerness refused to join the national steel strike earlier this year.

Sheerness originally refused to return the award but has since been persuaded to do so by union officials who had been threatening a 24-hour strike.

AIMS said yesterday: "Sheerness has put its relations with its workforce before an award — and that shows the right kind of priority which won the award in the first place."

● The Iron and Steel Trades Confederation is prepared to accept up to another 1,000 redundancies at the British Steel Corporation plant in Corby, Northants, providing the go-ahead is given for a new productivity deal.

# Kent miners urge action against closures

BY CHRISTIAN TYLER, LABOUR EDITOR

MINERS' fears of another round of pit closures erupted yesterday, during an impassioned debate at their annual delegate conference in Eastbourne.

The warring Left and Right factions in the National Union of Mineworkers, united in mutual determination to mount a campaign throughout the coalfields against any closure.

As last year, the debate was given extra impetus by the presence of a lobby of South Wales miners, this time from Ty-Mawr Colliery, which is one of a dozen pits in the area under scrutiny.

The conference carried unanimously a resolution from the cokermen asking the NUM executive to demand an immediate subsidy on coal and coke from the Government.

But the real focus of the debate was an amendment from the small Left-led Kent area, asking for necessary action to prevent any further closures, other than seam exhaustion, of the coal and steel industries.

The rundown of the British Steel Corporation and its continuing importation of cheaper, foreign coking coal, has been a worry to the South Wales union leaders and local politicians for many months.

Yesterday Mr Arthur Scargill, the Yorkshire miners' leader, repeated his charge that the National Coal Board had a list of 50 uneconomic pits that it wanted to close.

Mr Scargill said: "If a pit is threatened in South Wales... that is a threat to a pit in Yorkshire. We shall take industrial action."

Mr Michael McGahey, Scottish president, called for an "agitational campaign" spanning coalfield boundaries, and for rallies of the miners. "Let us adopt the old slogans which are as true now as they were in the past—educate, agitate."

Sir Derek Ezra, NCB chairman, who had listened to the debate, tried to placate the miners with promises of a bright future for coal after what he called short-term difficulties. The Board, he said, had set up a democratic review procedure involving the union, to determine what geological conditions made a pit unworkable.

He told a press conference afterwards: "Everyone who is in mining knows that pits eventually have to close because they just come to the end of the coal." There was no point in pouring investment money into a pit with serious geological problems.

The fact that 12 South Wales pits were "in difficulties" did not mean that all of them would be shut, he said.

# Industrial civil servants warned of 14% pay limit

BY PHILIP BASSETT, LABOUR STAFF

LEADERS OF 180,000 industrial civil servants have been told informally by Ministers and Government officials that no more than 14 per cent will be available for their annual pay increase due this month.

This is in the face of evidence compiled by the independent Pay Research Unit on the basis of outside movements in pay which, according to union sources, shows rises of more than 25 per cent due for the blue collar civil service workers.

The 12 unions involved, though, are unlikely to be able to exert effective pressure to close the gap by means of industrial action. Two years ago industrial civil servants blocked the movements of three quarters of Britain's nuclear submarine fleet in support of their pay claim, but action called last year over the imposed staging of a pay award collapsed all but completely.

There seems little feeling again this year for taking action.

The Civil Service Department is expected to put forward a formal pay offer next Wednesday. The unions hope the offer may be higher than the 14 per cent allowed for under the pay provisions of the service's cash limit.

But the prospects of a significant improvement are not high. Mr Paul Channon, Civil Service Minister, has already told the unions of the necessity of sticking strictly to the cash limit figure.

● The Government has again refused a request from civil service unions that it give a guarantee that no compulsory redundancies would arise from the introduction of new technology in Government departments.

Civil service union leaders yesterday saw officials from the Civil Service Department, in what was described as a "bad-tempered" meeting over new technology. The meeting was the first to be held since the breakdown of talks on an interim agreement before the round of union conferences last month.

The unions, which unlike most involved in seeking new technology agreements, are not looking for pay increases in return for their acceptance of new equipment, pressed the department again for a no-redundancy guarantee.

The department said it was impossible to give such a guarantee across the whole of the service. It was possible that there would be pockets of staff who were liable to be made redundant.

The department officials stressed, too, that the introduction of new technology in the service was an important element of the Government's drive to reduce the number of civil servants.

The unions were sharply critical of remarks made last month by Mr Paul Channon, Civil Service Minister, who told the National Economic Development Council that equipment was ready to be installed.

The Government would, if necessary, have to insist that the equipment be used, despite union opposition.

● Senior civil servants in Whitehall yesterday left work early to attend a protest meeting called to voice opposition to the Government's decision, announced on Monday, to reduce the pay increases recommended for them by the Top Salaries Review Body, chaired by Lord Boyle.

● The review body on armed forces pay yesterday recommended increases on salaries of medical and dental officers which would add 18.8 per cent to the group's pay bill.

# White-collar threat to disrupt Ford production

BY NICK GARNETT, LABOUR STAFF

WHITE-COLLAR UNIONS have threatened to scale down the production of the new Ford Escort, codenamed Erika, over the company's decision to seek 2,700 redundancies in its UK workforce.

The unions, which are meeting the company tomorrow, are looking for further information on the reasons for the redundancies.

The company has told the unions that the redundancies are necessary largely because of the fall in demand for UK-produced Ford components for the company's European plants.

It told national officials of its manual unions on Monday that it feared that the redundancies could be achieved voluntarily.

If this was not possible it would be seeking further meetings with the unions.

TASS, the white collar section of the Amalgamated Union of Engineering Workers, said yesterday that the unions believed that the redundancies reflected an attempt permanently to scale down the company's UK operations.

It said that the company had suspended the redundancies programme because of the threat to disrupt the introduction of the Erika to be launched after Ford's summer plant shutdown.

The car is to be produced at Halewood, Merseyside, with engines from Ford's Bridgend plant.

The manual unions suggested on Monday the wider use of short-time working to meet the fall in demand but this was not acceptable to the company. The management appeared to leave that meeting with the feeling that the manual unions accepted the position reluctantly.

Ford sees the downturn in demand and the consequent redundancies as a medium rather than short-term problem.

An upsurge in demand would not necessarily result in re-staffing to existing levels because of the company's continued drive to improve efficiency.

# Half-time work accepted

BY RAY PERMAN, SCOTTISH CORRESPONDENT

WORKERS AT Leyland Vehicle's Bathgate truck and tractor plant in West Lothian, yesterday unanimously accepted company proposal to start half-time work in response to falling orders.

When they return from the summer break in mid-August, the plant will operate for one week in two. The arrangement will be reviewed monthly.

After a meeting yesterday, Mr Jimmy Swan, shop stewards' convener, said that the workers understood that the motor industry was experiencing its worst recession since the 1930s.

They did not want Bathgate to be a casualty. The alternative to short time working would be 1900 redundancies, he added.

Shop stewards will also urge local MPs to press the Government to introduce import controls on commercial vehicles and to campaign for the easing of restrictions by other countries on British exports.

Leyland described the decision as a commonsense approach.

About a thousand workers will stay on full time work at Bathgate, maintaining essential services and preparing for the introduction of improvements to the tractor range, and new truck models, due to go into production next year.

# TUC to campaign on jobs and economy

BY JOHN LLOYD, LABOUR CORRESPONDENT

UNEMPLOYMENT and the crisis in the UK manufacturing industry, will be the major themes of the TUC's campaign for economic and social advance.

Leaders of the country's largest unions, meeting in the TUC's economic committee yesterday, agreed that a report recommending a campaign on unemployment should be submitted to the TUC congress in September.

The committee considered proposals from trade unions on the future shape of the campaign, the major event being the Day of Action on May 14.

One proposal from the General and Municipal Workers Union, argued for greater highlighting of unemployment in future agitation, and closer co-operation with the Labour Party.

The TUC will meet the Labour Party's shadow cabinet at a meeting of the TUC-Labour Party liaison committee on July 21 to finalise a joint statement on the economy to be debated at the TUC Congress and the Labour Party conference in September.

The committee will also press for an urgent meeting with Lord Soames, the Lord President of the Council, to discuss the purchase of a computer system, worth £150m by the Inland Revenue.

The TUC fears the Revenue is considering not buying from International Computers, the major UK manufacturer, and will make clear to Lord Soames that the purchase of a foreign system would greatly hamper ICI's prospects in the export field.

No decision has yet been made by the Government on whether to allow an open tender for the Revenue system, though lobbying by IBM and other U.S. computer manufacturers has been intense. A decision is expected next month.

# Tube operation agreement

BY OUR LABOUR STAFF

THE acceptance of the principle of introducing one person operations on the Hammersmith, City and Circle lines of London's Underground service was reaffirmed yesterday at the National Union of Railwaysmen's annual conference.

Discussions are already taking place on how this principle can be put into force, in accordance with the April pay settlement for Tube workers.

The conference made it clear, however, that the pay and allowances offered in connection with one person operations were not acceptable to the staff. This does not affect the pay settlement.

# Test our thinking.

- 1 My company needs advice on employee pension plans.
- 2 Can I get some help from the Midland in Tokyo?
- 3 We're tendering for a major contract and may need a performance bond.
- 4 I'm thinking of setting up a trust fund.
- 5 I want a better way to finance my car fleet.
- 6 Can you act as my company's registrar?
- 7 Can my repayments be tailored to the earning power of my new plant?
- 8 Is instalment finance better than leasing?
- 9 Help me open my office in Brussels.



● At the Midland, we know what a company expects from its bank.

So test our thinking. You'll find we respond as intelligently as we listen.



Come and talk to the listening bank

Midland Bank Limited



## UK NEWS = PARLIAMENT and POLITICS

Ivor Owen on the Northern Ireland White Paper debate

## Warnings of hazards ahead

THE DAUNTING prospects facing the Government in seeking a solution to the Northern Ireland problem through a devolution of power on the basis outlined in the White Paper published last week were underlined from both sides of the Commons last night.

Sombre warnings of the hazards ahead punctuated a major debate on the White Paper which Mr. Humphrey Atkins, the Northern Ireland Secretary, told MPs he hoped would set the "keynote" for the further round of talks which is to be the next stage in the developing of the Government's policy.

Apart from the expected condemnation by Mr. James Molyneux, leader of the Official Ulster Unionists, who refused to participate in the earlier inter-party discussions conducted by Mr. Atkins, the Rev. Ian Paisley, leader of the Democratic Unionists, admitted that if the White Paper proposals were submitted to a referendum they would be defeated.

Mr. Julian Amery (C, Brighton Pavilion) also questioned the thrust of Government policy, and Mr. Ivor Stanbrook (C, Orpington) tartly demanded an assurance that the Government had not abandoned its election commitment to the people of Northern Ireland.

For the Opposition, Mr. Brynmor John showed little enthusiasm for the proposal which he claimed was most favoured by the Government—an executive based on majority rule but supported by a new second body known as a Council of the Assembly.

Labour MPs, he said, would prefer a return to some form of power sharing with the majority and the minority communities represented on the executive.

Mr. Molyneux likened the White Paper to political graffiti—"a grotesque caricature of democracy."

He stressed that his party

would be prepared to take part in sensible discussions with Mr. Atkins on proposals which might stand at least some chance of working.

Enlarging on the question posed by Mr. Stanbrook, Mr. Molyneux argued that the Government had departed from the proposals in the Conservative election manifesto as a result of pressure exerted by the Foreign Office.

The Foreign Office loathing for the manifesto proposals, he contended, reflected the fact that they were unwelcome to the Irish Republic and the Irish American lobby in the U.S. who were opposed to the union of Northern Ireland with Britain.

As for the White Paper, Mr. Molyneux solemnly insisted that never before had such a set of proposals been subjected to such public ridicule.

Little of real practical value has emerged despite all the kite flying and speculation of the past 15 months.

"It really is incredible that nothing more than a rehash of failed experiments has been produced," he said.

Mr. Molyneux contended that there were grounds for wondering whether the earlier talks initiated by Mr. Atkins

could be seen as a continuation of the cynical game of leadership destruction which had been played in Northern Ireland over the past decade.

One Ulster leader after another he said, had been cynically used and then discarded like an orange sucked dry.

Mr. Paisley insisted: "There must be an end to this favourite past-time of snaring and tempting Ulster's indigent political leaders into false paths with their inevitable rejection by those who had placed their trust in them."

He urged the Government to do nothing more which could damage further political cohesion and political stability in Northern Ireland.

Mr. Paisley scoffed at Mr. Molyneux's suggestion that Ulster political leaders who co-operated with the Government in the consultations which led to the White Paper might have endangered their positions.

He did not think that any leader of Ulster opinion had anything to fear from anyone in the House of Commons so long as he represented the views of those who had sent him to Westminster.

Mr. Paisley emphasised his concern about the security

situation in Northern Ireland and insisted that any effective Government in the Province must be in a position to deal with the defence and safety of its people.

Mr. Paisley warned that if a new assembly did not have responsibility for security the people would be bound to ask whether it was worthwhile to have an assembly at all.

Mr. Gerry Fitt, the former leader of the Social and Democratic Labour Party, said he believed that the vast majority of the Catholic Community in Northern Ireland would be prepared to accept an assembly elected on the basis of proportional representation—and a PR Executive.

Mr. Atkins said the debate marked the opening of the next phase in the development of the Government's policy for Northern Ireland.

It would be "a phase of discussion and negotiation."

He stressed that in considering whether or not to agree to a transfer of power within the framework of the Government's proposals, the political leaders and people of Northern Ireland would do well to ask themselves what would be the consequences of a failure to agree.

## Drop bipartisan approach—PLP

BY ELINOR GOODMAN, LOBBY STAFF

LABOUR BACKBENCHERS yesterday pressed the Opposition Front Bench to drop its bipartisan approach to Northern Ireland and adopt unification with the South as a long term goal.

The call came at a special meeting of the Parliamentary Labour Party yesterday morning, just before the debate on the Government's White Paper on Northern Ireland.

The meeting was only sparsely attended but it was clear from the speeches that a

number of those backbenchers interested in Northern Ireland feel that discussion on the subject within the party has been suppressed and that Labour should use its period in Opposition to re-examine its attitude to the whole subject.

The majority of the 11 speakers were in favour of working towards unification. They argued that nothing should be done in the short term to prejudice that aim.

The view of successive Labour Governments has been

that any solution to the Northern Ireland situation had to be acceptable to both Catholics and Protestants. This effectively rules out unification.

Yesterday, Mr. Brynmor John, Labour's spokesman on Northern Ireland, headed off the cause by arguing that the meeting had been called to discuss the specific issues raised by the White Paper and that it was not therefore the right time to raise the issue of unification.

## 'Change structure' of Civil Service

By Robin Pauley

THE CIVIL SERVICE Department has been a total failure which has not run out of steam because it never had any steam, Lord Crowther-Hunt, a former Minister or State for Higher Education and a member of the Fulton Committee on the Civil Service, told a Commons Select Committee yesterday.

The Department should have been a battering ram of change to make the Civil Service more professional and efficient. It had failed but the remedy was not to reincorporate it into the Treasury but to change its structure and staff to make it have been in the first place.

Lord Crowther-Hunt told a sub-committee of the Treasury and Civil Service Select Committee examining the CSD's role and powers that the department had failed because:

● It had failed to recruit anybody from outside the civil service with experience of business and management to senior positions within the department.

● It had lacked "clout" and professional expertise because the management service divisions were too small in relation to the job and because there were too few senior ranking officials compared with other departments.

● It had had too many ministers—five in 10 years—who had not been distinguished enough.

The solution was to restructure the department but to maintain it in its own right. "It is crucial that the man spearheading the drive for efficiency must be a Cabinet Minister with no other responsibilities to distract him."

It was vital to end the ban on recruitment from outside the service at levels above principal so that big-powered experienced professionals could join the department at influential levels. If salaries were a problem it would have to be changed

## Carrington attacks Israel on West Bank policies

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

ISRAEL'S policies in the occupied territories on the West Bank came in for sharp criticism yesterday from Lord Carrington, the Foreign Secretary, in a speech in which he called for practical progress in settling the Arab-Israeli dispute.

He firmly defended the recent EEC initiative which has come under attack because it stipulates that the Palestine Liberation Organisation should be associated with negotiations for settlement of the dispute.

Lord Carrington said he remained convinced that the proposals of the Nine were a "balanced and constructive" contribution towards peace in the Middle East.

The Foreign Secretary was speaking in a Lords Debate on the Middle East, South Africa and aid to the developing world which had been initiated by Lord Stewart of Fulham, who was Foreign Secretary in the Wilson Labour Government.

Lord Carrington emphasised that Israel, as well as the Arabs, must modify some of its statements and actions.

"I cannot be repeated too often that the continuing expansion of settlements in the Occupied Territories makes the achievement of peace much more difficult," he said.

"Our fundamental commitment to Israel does not and cannot extend to her actions as an occupying power. I continue to hope that wisdom will prevail over this damaging policy."

Flexibility and goodwill are needed in place of dogma and rhetoric.

There was plenty of room for gestures which, without prejudging negotiating provisions, would help build confidence for talks between Israelis and Palestinians.

He stressed that the European initiative complemented the proposals of the U.S. Britain had to use its influence to persuade



Carrington: "Flexibility and goodwill are needed"

both sides to drop the word "never."

"There will be no settlement overnight but if progress has to be made by the inch rather than the mile, it will be made," he told Peers.

The EEC suggestion that the PLO should be associated with negotiations did not constitute official recognition of the PLO. It reflected the belief that the PLO enjoyed considerable Palestinian support in the occupied territories and elsewhere and this could not be left out of account if a lasting settlement was to be reached.

The Foreign Secretary wanted to make it absolutely clear that the Nine did not condone unacceptable PLO policies and actions. Britain emphatically rejected arms recently expressed by Al Fatah at its fourth congress in Damascus and he called on the PLO to disassociate itself decisively from them.

The main theme of Lord Carrington's references to over-

seas aid was the overwhelming need for the oil producing countries to play a much bigger role by using their huge surpluses to help the developing world.

This year it would cost the developing countries \$35bn more to import the same amount of oil as in 1978. This was a bigger sum than the \$22bn in total Western aid to the developing countries in 1979.

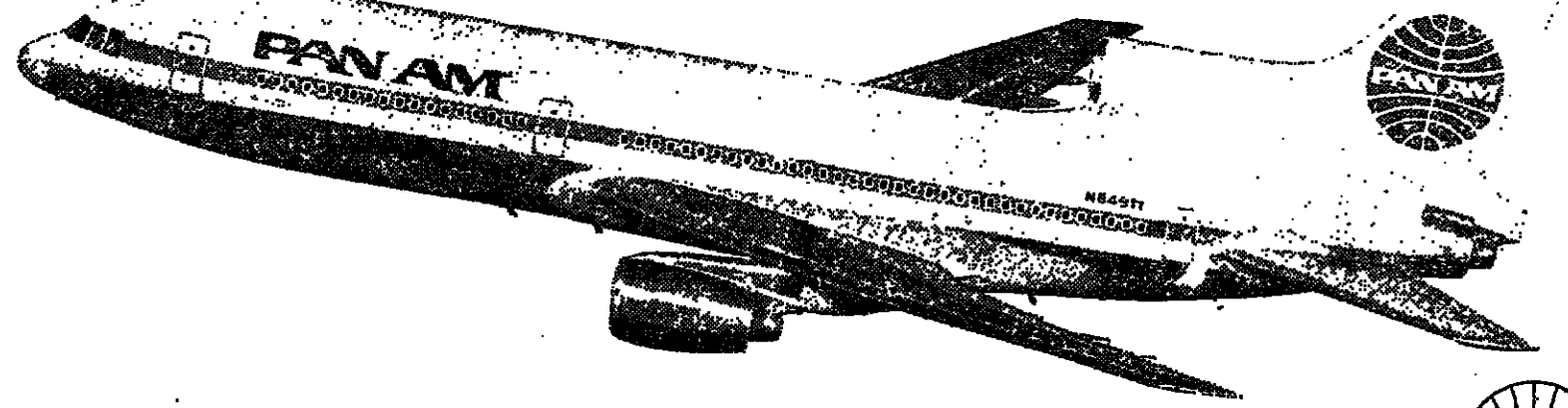
"It is inevitable that we should look to those who are accumulating enormous surpluses to make a major contribution to mitigate the effects of oil price increases in developing countries," he declared. "And yet OPEC aid to the developing countries is now below the level that it was in 1975."

On the question of the Brandt Commission Report on overseas aid, Lord Carrington took a similar line to Sir Ian Gilmour, Deputy Foreign Secretary, in a recent Commons speech. The Foreign Secretary emphasised that the private banking sector should play the principal role. He did not take up the Brandt suggestion for a summit of industrial countries, OPEC and the developing world to discuss a major aid programme.

Turning to Afghanistan, Lord Carrington said he was encouraged by recent developments there. The Afghans had shown they would not abandon their struggle for freedom "nor will the sovereign countries of the world abandon them to Soviet tutelage."

He ruled out suggestions for the use of sanctions, including oil sanctions, against South Africa. Some had suggested that these sanctions would bring about reforms in South Africa, but he thought they would hit South Africa's neighbour, and would be a "tragedy for Africa and the world."

## Pan Am introduce the earliest, fastest non-stop flights to Houston.



Now Pan Am are pleased to offer you daily non-stop flights to Houston from Gatwick. And they're pretty remarkable flights. Because they leave earlier than any other flight, at 11.10. And they fly faster, so you arrive, conveniently, at 15.20. And the planes are Lockheed TriStars with Rolls-Royce engines: simply the most technologically advanced wide-body aircraft ever built.

They're very well-connected flights, too. From all over Britain there are morning flights which get you to Gatwick in good time to catch our TriStars. And from Houston you can catch connections to many other cities, both within Texas and all over the USA.

All the way to Houston you'll get all the inflight features you'd expect from Pan Am.

Our luxurious First Class, with superb international cuisine. Clipper® Class: our special section created



First Class cabin.

with the needs of the international business traveller in mind. Or low-cost Full Service Economy Class, where you get incomparable Pan Am service with drinks and inflight entertainment available at a very small extra charge.

Talk to your Travel Agent now about our summer flights to Houston. Because, with Pan Am, Houston has never been more open for business.

We fly the world the way the world wants to fly.

PAN AM

## Party row over Labour manifesto

BY ELINOR GOODMAN, LOBBY STAFF

LABOUR'S proposed draft manifesto was at the centre of a major internal party row yesterday as a press conference to launch it was cancelled at the last moment after objections from Mr. Michael Foot, the Deputy leader.

Behind the decision—announced with no explanation—was a long simmering row over the Left's attempt to take control of the party manifesto and to consolidate tactical gains made at the party conference last year.

The document will still be published today. Included in it will be a number of proposals

—like abolishing the House of Lords, renationalisation without compensation, nationalising the banks, and abortion on demand—which Mr. Callaghan would fight hard to keep out of any election manifesto.

But Mr. Anthony Wedgwood Benn, one of the three national executive members due to chair today's press conference, will be deprived of the platform to promote it. He will not therefore be able to publicly commit the party to debating it at this year's party conference as some of Mr. Callaghan's supporters had apparently feared he would.

Last night, the three chairmen of the cancelled press conference put but a statement "regretting" the decision to postpone the conference without consultation.

The row will now move on to next month's meeting of the full executive where Mr. Foot will raise the whole question of the status of the document. He is also likely to resist any suggestion that the conference should be allowed to debate it this year on the grounds that as the rules stand at present conference has no authority over the manifesto.

## Prior admits doubts on MSC

BY PHILIP BASSETT

THE MANPOWER Services Commission had had "money thrown at it" over the last few years, Mr. James Prior, Secretary of State of the Department of Employment, the Commission's sponsoring Ministry, said yesterday.

He said the amount of funding the MSC had enjoyed had placed it in the "disastrous position of not even being able to spend it all properly."

Mr. Prior—in what amounted to an admission of serious doubts about the Commission's financial control and even its existence as a body separate from the Department of Employment—said the MSC had needed the level of control

on its expenditure and staffing levels which this Government had introduced. "This has had a good effect," he said.

He told a Commons Select Committee on Employment, discussing the MSC's corporate plan, that he thought the Commission had had "rather a lot of bad luck" since its functions were separated from the Employment Department six years ago.

It had been forced to expand very quickly both in terms of spending and staff to deal with rising unemployment. Mr. Prior admitted: "I don't think it has been able to fulfil the proper role that we hoped for it when it was set up."

Mr. Prior said he had thought

"long and hard" about winding up the Commission completely, and reintegrating it with the parent department.

He admitted that sometimes the MSC could be an embarrassment to the Department. "The Commission pressed Mr. Prior to release it to the draft stage of picking and choosing what to put in the manifesto," he said. "I don't think it was a good idea."

In what developed into quite a heated exchange, Mr. Prior refused, insisting that under the provisions of the Bill, which he expected to become law by the end of this month, he could not release the codes before the Bill was given royal assent.

## Concern on missiles decision

BY LYNTON McLAIN

BRITAIN'S NATO allies are likely to be concerned about the impact on Britain's conventional forces of a Government decision, widely expected soon, to spend £40m to £50m on U.S. Cruise missiles to replace Polaris, MPs were told yesterday.

West Germany in particular was expected to express "strong views" if Britain's conventional forces were put at risk because of the UK's emphasis on a £50m nuclear deterrent programme, the International Institute for Strategic Studies told the House of Commons Select Committee on Defence.

## Deterrent

Colonel Jonathan Alford, deputy director of the Institute, told the committee that the costs of Trident would very likely affect substantially Britain's conventional arms re-equipment programme.

The Government should retain an independent nuclear deterrent as a "weapon of last resort," he said. This would improve Britain's bargaining position in relation to the Soviet Union.

The Institute believed Trident was the best new U.S. ballistic missile system but it was "deeply concerned about the cost and the question of which warhead would be fitted."

Cheaper solutions—including a force of British-owned and controlled Cruise missiles with up to 450 nuclear warheads—

should be considered to maintain Britain's deterrent in the 1990s after the Polaris submarines have reached the end of their useful lives.

Colonel Alford said the Cruise missile was now "somewhat more feasible."

Plans already exist for U.S.-owned and operated Cruise missiles to be based on Britain. But these are considered to be "theatre nuclear weapons"—designed to be used in "limited" nuclear exchanges with the Soviet Union—rather than strategic nuclear weapons designed to deter a wider nuclear conflict.

The committee was told that Cruise missiles as strategic weapons "must now be regarded as serious contenders" as successors to Polaris.

The Cruise missiles were favoured rather than Trident missiles on the grounds of cost and in terms of their ability to act as a deterrent where based on relatively cheap mobile platforms on land or in coastal waters. The Institute said Cruise missiles were not an ideal solution, but they were "cheap." Each missile would cost \$1m and a U.S. nuclear warhead would cost an extra \$1m.

A force of 150 Cruise missiles would cost between £200m and £250m. Lorries provided the cheapest launch platform, but Colonel Alford also suggested "fast patrol boats, hovercraft, conventional submarines or nuclear-powered submarines."

A "functioning Cruise missile" deterrent system could be bought for a total of less than £1bn, compared with the £4bn to £5bn for a fleet of five Trident submarines.

But Britain would have a number of problems if it decided on Cruise missiles.

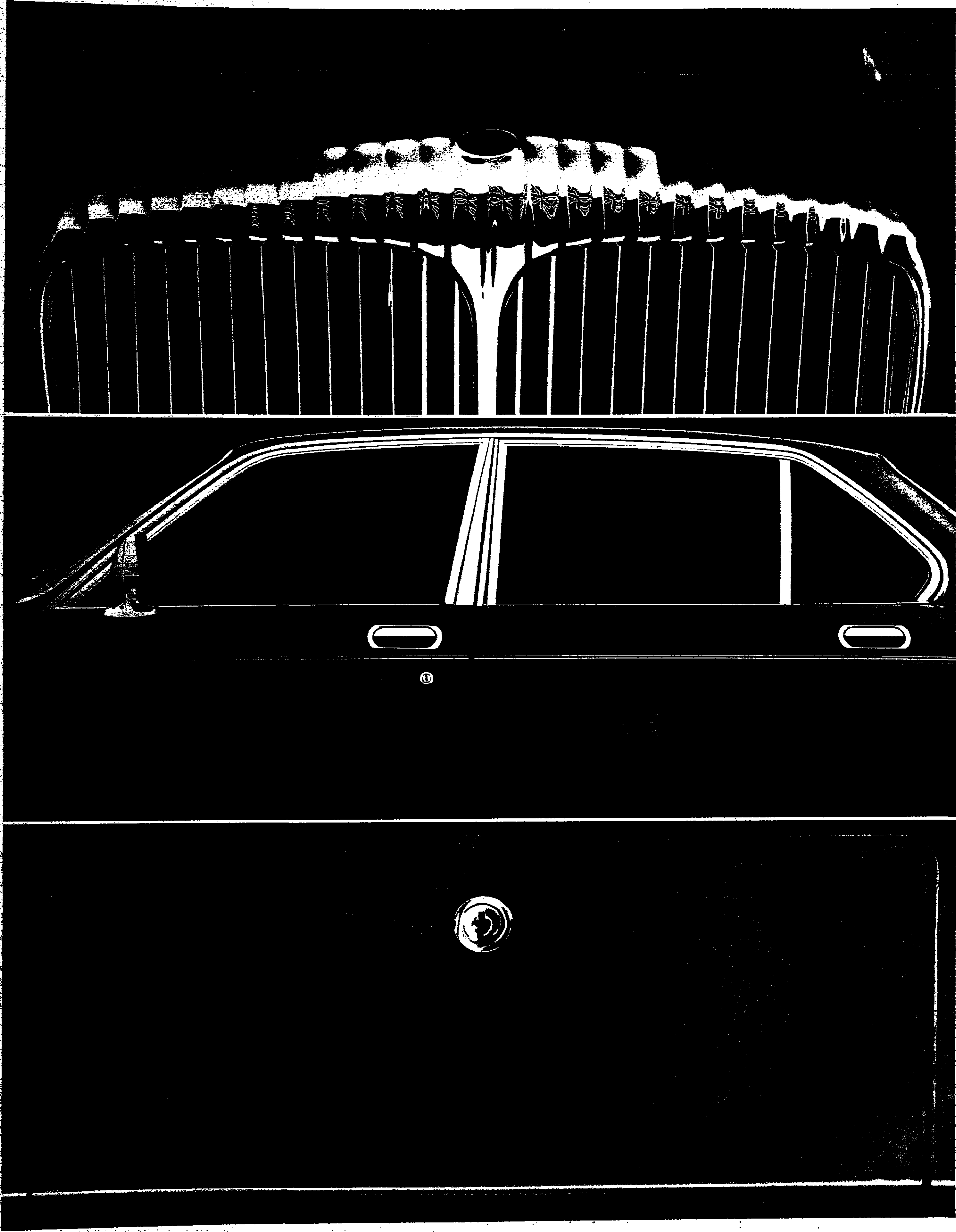
The U.S. has control over the detailed targeting information and satellite guidance system essential to guide Cruise missiles to within a few hundred feet of a target. This information may not be made available to Britain, and the missiles would then have to rely on "inertial guidance"—a well-known technique but accurate only to about three miles over a three-hour flight.

## Problem

Britain also has the problem of either buying nuclear warheads from the U.S.—in which case the U.S. may exercise some control over the "independence" of the British deterrent—or making its own miniature warheads.

Cruise missiles are also likely to become increasingly vulnerable to Soviet air defences towards the end of the century. This would force Britain or the U.S. to develop "electronic counter-measures" that could lift the \$1m cost of each missile to between \$2m and \$3m, each—which may cut the present cost advantage over Trident, the Institute said.





Daimler. Nothing else quite so perfectly reflects one's achievements in life.



BY APPOINTMENT  
TO HER MAJESTY THE QUEEN  
THE QUEEN MOTHER  
Daimler Ltd - Coventry  
and Birmingham  
Manufacturers of  
Daimler, Jaguar and  
Rover cars and  
Land Rovers







# Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

## ENERGY

### Extraction of heat from flue gases

THERE IS nothing complicated about a heat pipe. After all, it is just a sealed tube containing a wire mesh wick filled with an appropriate liquid, and the vapour from that liquid.

But its capabilities, first appreciated during the rapid development of space vehicles in the last decade, are such that designers are harnessing them to achieve spectacular energy savings.

Foremost among the characteristics of the heat pipe is its ability to transfer heat energy over a distance between 500 and 1,000 times those possible with solid metal conduction.

This stems from the fact that when one end of the tube is heated, the liquid in the mesh turns to vapour, absorbing large amounts of heat in the process. The hot vapour travels to the cold end of the pipe, yielding up its latent heat of vaporisation as it condenses, and this heat can be applied to other processes.

The condensed liquid is absorbed by the wick and travels back to the hot end of the tube by capillary action and the cycle begins afresh.

There are no moving parts and, deterioration over many years is minimal.

Scurrah Hytech has been working on a number of applications of this technology to waste heat recovery for several years and has successfully set up two industrial units with heat recoveries of 1.6 and 1.1 therms/hour respectively. The first is used to take heat out of the exhaust gases of a gas-fired sugar boiler and use it to heat plant water. The gases originally were exhausted at 645 degrees C. This temperature has been reduced to 390 degrees with a consequent extension of fuel life.

Some 50 heat pipe protruding 7 ins into the flue and 5 ins into the water manifold do the

work—and even though gas in this instance is the cheapest fuel, pay-back is put at 14 months.

In the second application, steam boiler exhaust in a dairy has been reduced from 250 to 170 degrees, and the heat recovered fed to intake water. Some 90 pipes are required with 14 inches in the flue and 4 in the manifold and the payback is the same at 14 months though, in this instance, firing time is double at 60 hours/week.

The company has carried out a series of studies of other industries, including pottery operations where it has been shown that savings of £30,000 a year can be achieved with multiple kilns at a capital expenditure of one-third that sum.

In wire patenting furnace applications, where the operating temperature is still higher and the exhaust runs at about 1,000 degrees C, annual savings of £37,000 result from an investment of £8,000.

In general, where there is a continuous process in which the gases are emitted at high temperatures, there is an application for heat pipe recovery systems which are comparatively simple and quick to install.

The company some time ago applied the same principle to recovering heat from open fires that otherwise would be lost to the surrounding firebrick in the fireplace and the flues. Houses and fires vary considerably, of course, but typically the simplest installation would continuously recover an extra 5kW of heat from the open fire to feed into a hot water radiator system.

Further details from Scurrah Hytech Products, 6 Market Street, Soham, Ely, Cambs CB7 5JG.

## MATERIALS

### Growing use of cultured marble

USING A variety of resins and fillers to create flat slab, a Hungarian firm produced "cultured marble" in California in 1958. The material was simply a substitute then for laminate-covered chipboard and for the first products, ceramic or metal bowls were placed in a hole in the middle of the slab to effect a vanity top.

Two years later, a major industry had developed with the result that over half of all new homes built in the U.S. since 1975 now contain at least one piece of cultured marble.

Technology produced intricate shapes, and makers of cultured marble could offer products which were not practical in any other material—such as working surfaces with integral bowls and backstays.

Nearly all Western countries have a cultured marble industry, with some beginning to rival the U.S. on a size for size basis. The Dutch were pioneers of the use of this material for kitchen work surfaces, and other Continental countries have specialised in window sills, fire surrounds and panelling.

Now a British company (Incorporated in 1978 with the objective of making the material for the sanitaryware market) says it is one of the few manufacturers in the world that can offer a complete bathroom suite made from cultured marble. This company, Elliott-Powell, of 58 Burners Lane South, Eilat Farm, Milton Keynes, Bucks (0908 567345) says architects and specifiers can now see at its factory how modern techniques enable the moulding of units

## TEXTILES

### Analyses fibre blends

INCREASINGLY THE world textile industry is manufacturing fabrics from blends of various fibres. Typical of such trends is the ubiquitous polyester/cotton blend shirting which, in the U.S. may be a 50/50 blend, while in Europe blends of 50/50, 67/33 and 70/30 are often found.

Other, and more complex, blends are used in other sectors of the trade.

Now the manufacturer and the user can check the precise proportions of the main elements of whichever blend with the Ford fibre blend auto-analyser. This enables values to be obtained rapidly, semi-automatically and safely.

The accuracy of the analyser is claimed to be within -0.5 per cent, which compares with the standards laid down by the EEC of  $\pm 3$  per cent. Clearly a small variation of blend components can be reflected in changed cost-

duced a marble finished material bonded on to a honeycombe aluminium backing for use as wall cladding or decorative finish in buildings.

Also under development at Milton Keynes are onyx and marble coffee table tops, wall claddings, vanity units for hospitals, schools and laboratories and industrial storage tanks.

DEBORAH PICKERING

## AUTOMATION

### Control from a distance

FREEMAN Enercon, Cambridge-based energy conservation specialist company, is using a new remote signalling technique called Mercury, in conjunction with more conventional controls. Transmitting/receiving equipment which uses a signal impressed on the existing house or plant wiring is used to operate remote equipment.

Intended to give control of distant plant—up to 500 metres—from a control point in an inexpensive manner, the new technique enables local zones to be controlled to a time schedule without the need either for a multiplicity of local time switches or for hard wiring.

Basic Mercury systems pro-

vide 8 or 16 channels and each channel can serve a large number of receivers. Conventional programming inputs can be used; or Enercon offers a 15-channel programme timer with 9 switchings per channel to dictate the load schemes.

Applications to heating, lighting and mechanical plant control are numerous and include pumps, zone valves, lighting, as well as the overall shutdown and start-up of whole sections of remote plant and facilities.

Enercon says that since a one-channel receiver cost about the same as a time switch, overall costs of the system are obviously attractive.

Freeman Enercon, P16 Trafalgar Way, Ban Hill, Cambridge. 0954 81726.

## MACHINE TOOLS

### Calibration by laser

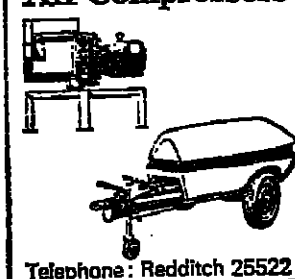
A MOBILE machine tool calibration service based on the use of a Hewlett Packard 5525B laser system and able to monitor straightness, squareness and parallelism. For displacement measurements use of measuring site sensors to monitor air temperature, atmospheric pressure and humidity enables a resolution of 0.1 microinch to be obtained.

Results are processed in minutes by calculator and plotter and then become the property of the customer.

moved: using different combinations of cube corner reflectors and remote beam splitters it is possible to carry out a complete check of straightness, squareness and parallelism. For displacement measurements use of measuring site sensors to monitor air temperature, atmospheric pressure and humidity enables a resolution of 0.1 microinch to be obtained.

Results are processed in minutes by calculator and plotter and then become the property of the customer.

Hydrothane  
Air Compressors



Telephone: Redditch 25522

## COMPUTERS

### More power for big machine

ESPECIALLY suited for scientific and engineering applications, a new version of the big Univac 1100/80, the "S" machine, incorporates a scientific accelerator module, which is a very high speed LSI bi-polar gate array device.

Memory expansion will take the current 4m word 1100/80 systems up to a maximum of 8m words or 32m bytes, in 2m word increments.

Increased speed, storage expansion, and the recent announcement of the array processor subsystem in the U.S., is an indication to the scientific user of the importance the company places on this market.

Performance of the basic 1100/80 has been increased by at least 25 per cent with the 1100/80 S.

Univac is at 65, Holborn Viaduct, London EC1 (01-236 1010).

### Insulating a big ice cream plant

A major low temperature insulation project at Walls ice cream factory in Acton, West London, is about to be completed by Dee-Cee Contracts, 165A Upper Heath Lane, Dartford, Kent (Dartford 72522).

Current programme covers the total insulation of the low temperature pipes leading to a new freezer plant, and vessels within this area are also being similarly treated under a contract which completes phase one of a major redevelopment scheme by the company.

Pipework in five diameters (from 8 inch down to 2 inch) is

being encased in 6 inch thick fire resistant polystyrene sections applied in two layers with staggered joints set in adhesive. These heavily insulated pipe-lines (carrying substances from low temperature ammonia liquids to hot gas supplies) are then vapour sealed using a bituminous based material, brush applied in two coats.

All vessels, including surge drums and horizontal receivers, are being treated to the same process and finally encased in made-to-measure aluminium cladding fabricated from 22 gauge sheeting.

## HANDLING

### Goodbye to flour sacks

DISTRIBUTING FLOUR from the miller to the baker, a problem for the industry since the days of waterwheels and windmills, has been simplified by the invention of a new containerised dispenser called Condor by the developers.

Self-contained within a standard aluminium framework and having its own diesel motor, the dispenser enables flour to be transported by ordinary commercial vehicles. It is possible to convey up to three bulk silos, each holding 7 tons of flour.

On arrival at the bakery the flour is removed by vacuum from the silos at a speed of nearly one ton per minute into one of two load-cell mounted

weigh bins which form an integral part of the container unit and have a capacity of 200 kg each. As one weigh bin is filled to the required capacity the flour flowing to that bin is automatically diverted to the second weigh bin and while that is filling the contents of the first bin are blown via feed tubes to the bakery's own bulk storage facilities. The sequence is then repeated until the exact amount of electronically recorded flour needed by the bakery has been dispensed.

Condor has been under development for four years. European Process Plant of 175, High Street, Banstead, Surrey is marketing Condor throughout the United Kingdom.

### Cuts cable laying time

DANISH ENGINEERS have incorporated a powerful Boughton Series 5H hydraulic winch into a newly developed cable laying system (worked by two men), which together with a cable drum-carrying cradle, promises to reduce cable laying time by 50 per cent, says T. T. Boughton and Sons, Bell Lane, Amersham, Bucks (0494 4411).

System is designed to function effectively in any terrain passable by a lorry powerful enough to run ahead carrying

the filled cable drum. A specially designed plough cuts to a depth of 1.1m (without disturbing the earth layers which could cause inconvenience during subsequent cultivation) and is winched through the soil to make furrows. At the same time, the electric cable is pulled into the ground at a controlled speed.

Details of the system are available from the maker, Fritz Halvorsen AS, Bredgade 203, 9700 Brønderslev, Denmark.

## QUALITY CONTROL

### Looks inside castings

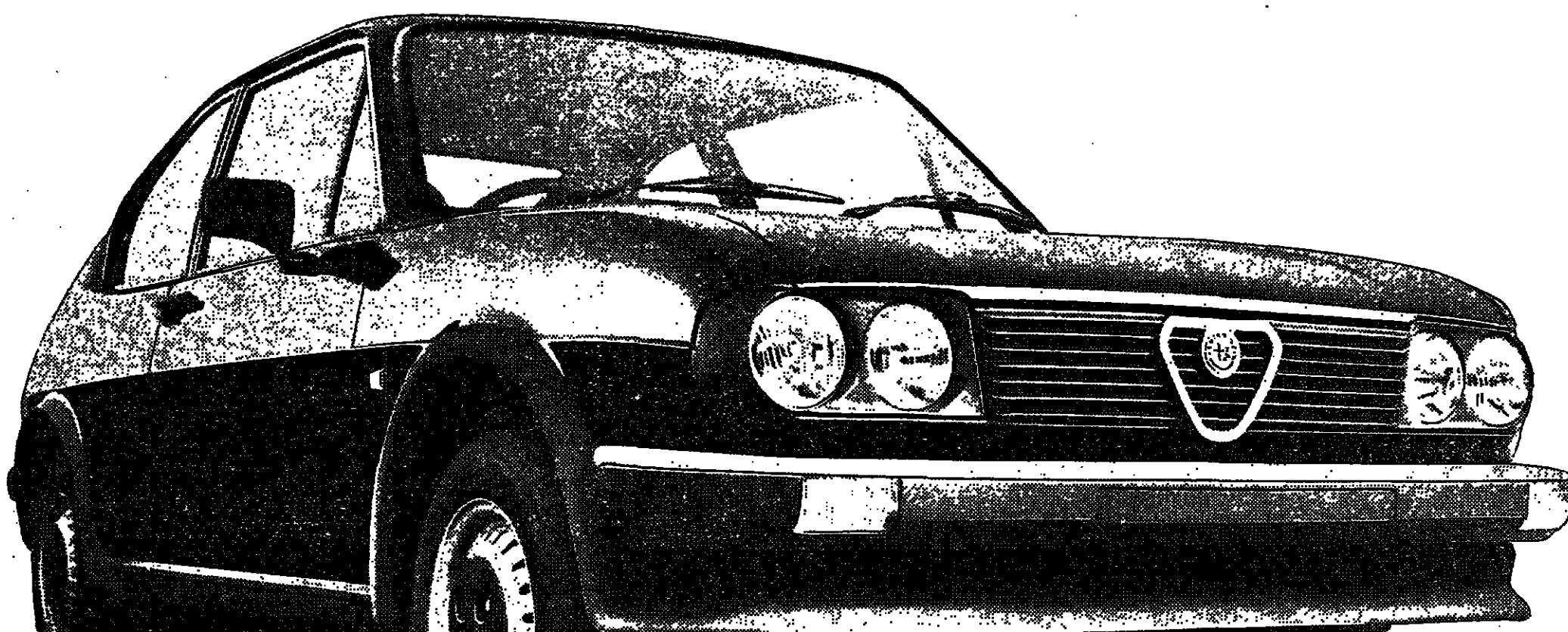
AN X-RAY quality control unit specifically designed to look for flaws in aluminium castings has been developed by Wells Kraut-Kramer, Blackhorse Road, Letchworth, Herts (04626 2644).

The X-ray source, inspected component and imaging screen are housed in a 1.9 metre-sided screened enclosure; the operator, seated outside at a console with television monitor on which the image appears, can also see the inspected component through a window. Since the results are immediate, a rejected casting can be returned

to the melt at once while adjustments are made to the process to correct the fault.

A Philips X-ray source is used together with an Oldeit Indica imaging system having a 10 inch x 12 inch fluorescent screen; thus, quite large castings such as gear box casings and engine blocks can be inspected.

The fluorescent image is picked up by a military grade low light TV camera via a 45 degree mirror. A table is provided inside the X-ray enclosure, that allows the component to be moved and rotated.



# In nine seconds you'll be convinced.

## The new Alfa Romeo Alfesud 1.5 TI. £4,800.

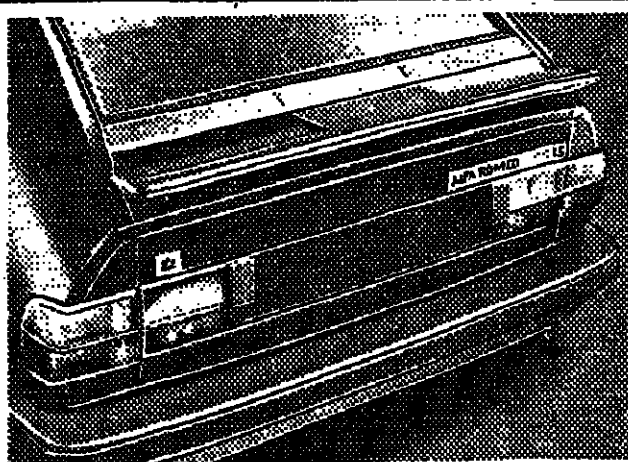
Our new TI is the latest Alfa Romeo formula for a family sized sports car.

Its performance: 0-60 in around 9 seconds — is the result of a streamlined body and advanced engine design.

Front and rear spoilers cut through the air and anchor the car to the road. So the air slips by with minimum turbulence, thus assuring maximum roadholding.

Naturally, the world famous "boxer" engine has all the traditional Alfa verve. Two twin-choke carburetors, 95bhp (DIN), and a top speed of around 110mph.

And on top of this, the AlfaPlus aftercare package provides a 12 month unlimited mileage guarantee; 24,000 miles free routine service parts; free car hire and recovery, should you need it; and corrosion protection so thorough it actually coats vital parts in pure zinc.



See the new Alfesud 1.5 TI at your local dealer today. You'll find him in Yellow Pages. Or write for more information to Alfa Romeo Customer Information, Freeport, Greenford, Middlesex UB6 9BR.

So far as equipment is concerned, our new Alfesud 1.5 TI has the lot:

- 95bhp (DIN) "boxer" engine with two twin-choke carburetors
- 5 speed, front wheel drive transmission
- 4 wheel dual circuit power disc brakes
- reclining front seats with built-in headrests
- shaped rear seats with special ski rack
- oil pressure and temperature gauges
- tachometer
- cloth upholstery and full carpeting
- quartz clock
- tinted windows
- heated rear window
- 4 quartz halogen headlamps
- rear foglamp
- complete corrosion protection
- AlfaPlus aftercare package

Alfesud 1.5 TI, 1490cc, 95bhp (DIN), maximum speed about 110mph.

Also available now: the new Alfesud 1.3 and 1.5 saloons and the new 2 litre Giulietta.

Alfa Romeo





## JOBS COLUMN

## Curtain raiser . China-watcher . Stumped

BY MICHAEL DIXON

A BRITISH engineering group planning a big expansion of its business in Russia must be an extremely rare phenomenon these days. So one can understand why recruitment consultant John Briggs of David Sheppard and Partners, who has discovered one, found it an "invigorating" experience. Whether it will prove rewarding as well, however, depends largely on his also discovering a commercial manager capable of carrying the planned expansion into effect.

The Midlands-based group specialises in the provision of complete industrial plants as "package deals". The plants it supplies in this way are for a wide variety of processes and products, but all are very costly of course, and each project takes several years to complete.

A number of contracts worth \$50m or more have already been won from Soviet satellite countries in Eastern Europe, where the newcomer will be expected to promote further custom. But the main responsibility will be to establish the company as a major supplier of industrial plants to Russia itself.

The idea is that the recruit will take the lead not only in identifying suitable opportunities and persuading the appropriate Ministries and import agencies to invite the

group to tender, but also in assembling a competitive proposal and in negotiating the deal through to settlement. This will require high-level contact with company colleagues and staff of other United Kingdom and overseas manufacturers, with financial institutions, and with officials in the customer countries. So at least four or five months each year will be spent in the Eastern Bloc.

Would it be any easier to negotiate orders out of the Russians nowadays than to negotiate their troops out of Afghanistan? Easier, yes, replied Mr. Briggs, who has done some selling in Eastern Europe, but far from a doddle nevertheless.

"Getting the entrée isn't all that difficult. The main problem is what to do when you've got it. Unless you can pretty quickly find out where to go and whom to see, you can tie your self into a kind of web of officials who'll never give you a positive answer."

Might one call that the old boy net? I inquired, drawing on the scattered remnants of my study of Russian during National Service.

John Briggs groaned, but smartly added that proficiency in Russian or another Slav language was considered an important qualification for the job, although not quite as essential as experience or at least a developed interest in

trading with the Soviet Union and its satellites.

"The actual negotiating will almost certainly be done in English," he said. "But there's no doubt that it can make a valuable difference if you're able, when conversing with them in English, to understand what they're simultaneously thinking in Russian. So while the prime thing we're looking for is good knowledge of the commerce of the area, anyone who is a linguist as well would have a definite advantage. An engineering background and a relevant qualification would be useful too."

Salary, he continued, would depend on what sort of applicants were available. But my estimate would be about £12,500 for a youngish person without much experience to £20,000-plus for a well-matched candidate.

Inquiries to Mr. Briggs at 21 Cleveland Place, St. James's, London SW1Y 6RL; telephone 01-930 5786. Since he may not name the company, he guarantees to honour the request of any applicant not to be identified to the employer without further permission. So do the rest of today's recruiters.

## Developer

I HAVE a feeling that going straight from Russia to China would be considered in poor taste at the moment by either of those countries. But that is what we are doing, because Tony

Barker of Merton Associates (Consultants) is in the hunt for a market development manager to work with a big internationally owned group based in Hong Kong.

The main task will be to keep a detailed watch on the economic affairs of the Chinese People's Republic, with a view to identifying opportunities for the employing group to take part in joint ventures, to win orders for turnkey projects, and to supply various products and services including know-how.

The person the group has in mind, Mr. Barker says, is either an economist or a market researcher by training, who has gained an insider's knowledge of industry and a sound appreciation of China's economic planning and practices. But candidates must be able to show that they can go beyond theory and back-room technique and help in developing the business possibilities they identify, into successful operations.

Although living in Hong Kong, the recruit will be visiting and negotiating with China. So although proficiency in one or other of the main Chinese dialects is not essential, it would help.

The job is described as "demanding," but since it is apparently seen as crucial to the group's plans for expanding in line with Red China's projected industrial develop-

ment, there would no doubt be good prospects of advancement for someone who did the work well.

Starting pay will be up to £20,000, and perks will be of the usual expatriate kind, including accommodation and various allowances. Inquiries to Tony Barker at Merton House, 70, Grafton Way, London W1P 5LN; telephone 01-388 2051, telex 8953742.

## Treasury work

NEXT COMES a London-based job being offered through Norman Philpot of NPA Recruitment Services. But since today should see the start of the Old Trafford test match against the West Indies, it seems appropriate to refer first to Mr. Philpot's preferred vocation as a cricketer. Having spent several hours hearing of his exploits as batsman and bowler, I mentioned him in this column last year—in, as I thought, his own words—as "the right-handed Gary Sobers."

In fact, he is also left-handed and he has since been nagging me to give him what he claims is his proper title. Being a person to whom the great names of cricket are sacred, however, I felt that it would be blasphemy to counter Norman Philpot for a second time with the great West Indian all-rounder. But he has finally broken through my defence. Clipped to the job-description which has just arrived from Mr.

Philpot, is a handwritten inscription. It is addressed to "the white Gary Sobers." And the writing and the signature are those of Clive Lloyd, the current West Indies captain.

The job is for a financial and treasury analyst with an American group with interests ranging from consumer products to shipping and energy. These activities include more than 30 different concerns in Europe, the Middle East and Africa, and the recruit will join a small group of specialists in London looking after the treasury operations and cash-management of these scattered businesses.

Candidates need experience on the treasury side of an industrial group, or to have worked in international banking with responsibility for foreign exchange matters or corporate dealing. The salary bracket is not quoted, but Mr. Philpot thinks that it would be unlikely to match the expectations of a suitably skilled person aged more than about 30. So my estimate would be £9,000 to £12,000.

Inquiries to him at 60, Cheapside, London EC2; telephone 01-248 3312. "Equally," he adds, "I am most interested in hearing from FRN traders, bond dealers and Eurobond salespersons for a newly established department within a prime international merchant bank — salaries (heaven knows these days!) around £15,000 to £20,000."

## Major Merchant Bank

## CHARTERED SECRETARY/LEGAL EXECUTIVE

Age 27-35

£8,000-£10,000 p.a.

A major Merchant Bank, one of the Accepting Houses, has a vacancy in its Company Secretary's Office.

Applicants should be Chartered Secretaries with at least 3 years' post qualification experience, preferably in a bank or financial institution; alternatively, legal executives with suitable experience will be considered.

The attractive benefits include: low interest housing loan, non-contributory pension scheme with free life assurance, profit sharing, family medical cover and interest-free season ticket loan.

Please apply in writing (with curriculum vitae) to the Personnel Manager

Box FT/629, c/o Hanway House, Clark's Place, Bishopsgate, London EC2N 4BJ.

## Citicorp Development Capital Senior Investment Officer High Technology

Citicorp, one of the world's largest banks, is establishing Citicorp Development Capital in London to make development and venture capital investments in small UK companies. This expansion, for which substantial funds have been allocated, follows the bank's very successful venture capital activities in the USA since 1966.

A Senior Investment Officer is required to work with the General Manager in seeking and identifying investment opportunities, evaluating the proposals, negotiating deals and actively monitoring investments through board membership of client companies.

Candidates, ideally with high technology experience, must be graduates, qualified accountants or MBAs and be able to demonstrate excellence in their careers to date. Financial skills, a broad commercial sense, entrepreneurial zeal and the maturity to work with companies at top level are essential qualities.

Preferred age late twenties to early thirties. An attractive remuneration including excellent benefits package to be negotiated.

Please reply, quoting Ref. 1142, to Ian HD Odgers who is advising on this appointment.

Odgers

MANAGEMENT CONSULTANTS  
Odgers and Co Ltd, One Old Bond St.  
London W1X 3TD 01-499 8811

## Hoggett Bowers Executive Selection Consultants

## Group Financial Controller

## Director Designate

Cleveland, c.£12,000+ profit sharing + car

The client is a small, highly successful private group engaged in specialist engineering services and contracting. With a turnover of £5 million and a strong financial base the company is growing both organically and by acquisition in a market of considerable potential. Responsibility is to the Managing Director for all aspects of finance and accounting with distinct emphasis on contribution at executive level to the commercial development and direction of the business. Qualified candidates aged under 40, should offer financial control experience in a small or medium size diverse group operating ideally in the commercial or services sector. Comprehensive benefits are offered and a board appointment is envisaged within 12 months.

G.T. Walker, Ref: 42281/FT. Male or female candidates should telephone in confidence for a Personal History Form to: NEWCASTLE: 0632-27455, 4 Mosley Street, Newcastle-upon-Tyne, NE1 1DE.

## Financial Director (Designate)

Wines

London c.£12,000 + car

COURTENAY STEWART INTERNATIONAL LTD

11 Maddox Street, London W1R 9LE. Tel: 01-629 1913.

- Are you a Chartered Accountant aged 28-45?
  - Could you take over all financial aspects for a company based in London with branches outside?
  - Are you prepared to do detailed work yourself — yet play a major role at Board level?
  - Have you commercial judgement and would you be interested in backing it with a small stake in the company in the future?
- The company is developing fast, changing direction positively, and the new team wants a top flight Financial Director.
- Please telephone or write to Anthony Falcon quoting ref. 276A.

North London

c.£14,000 + Car

## FINANCIAL DIRECTOR

Our client is a small, expanding Group of Companies making industrial television systems and control equipment. Having developed a unique product for which worldwide demand is already assured, they now seek a Financial Director to ensure profitable control over the whole operation.

Probably aged late 30's the successful candidate will be qualified to ACA or ACMA and will have worked in a technological environment. Experience will have covered particularly the installation and development of clear and comprehensive cost control and management information systems.

The successful candidate will work very closely with the Managing Director in the development of the Group and will assume responsibility for all administrative functions.

The post offers occasional opportunities for overseas travel, and assistance will be given with any necessary relocation expenses.

Letters of application, together with c.v., salary progression and any additional relevant information, should be forwarded without delay to: Mr C.A. Cotton, Executive Recruitment Division, MLH Consultants Limited, Park House, 22-26 Great Smith Street, London, SW1P 3BU, quoting reference A210.

MLH Consulting Group of Companies

## Experienced Accountants

## Finance at senior level

A major British industrial group with its Head Office west of London is seeking two outstanding individuals to report to the Group Financial Director. Responsibilities will be significant in a group which has a £200m sales turnover and diverse operations in the UK and overseas.

Candidates will be qualified accountants, aged 28-40, and will have substantial experience in a large industrial group. The positions call for real experience in a number of the following areas: consolidation of group accounts; long-range planning; budgeting and performance analysis; capital expenditure appraisal and

control; financing and taxation. Highly competitive salaries and attractive fringe benefits are related to these senior positions and there is excellent opportunity for good career progression and involvement in wide-ranging assignments.

REPLIES will be forwarded direct, unopened and in confidence to the client unless addressed to our Security Manager listing companies to which they may not be sent. They should include comprehensive career details, not refer to previous correspondence with PA and quote the reference on the envelope.

## PA Advertising

Hyde Park House, 60a Knightsbridge, London SW1X 7LE. Tel: 01-235 6060 Telex: 27874



A member of PA International

## FINANCIAL CONTROLLER

Age 28-35

Berkshire

c.£13,500 + car

To co-ordinate the achievement of profit objectives and provide commercial and financial guidance, the Controller will manage a small department and report to the Financial Director. The emphasis is on financial planning and, through a close working relationship with marketing and production management, the development and implementation of policies aimed at maintaining and improving profitable operations.

A highly successful US subsidiary manufacturing and marketing in the UK, our client is a market leader in its field with a turnover of £30 million. Applicants (male or female) should be qualified accountants with planning experience in a commercial environment. Please telephone or write to Stephen Blaney B. Comm., FCA quoting reference 1/2006.

EMA Management Personnel Ltd.  
Burne House, 88/89 High Holborn, London, WC1V 6LR  
Telephone: 01-242 7773

## Young Bankers

TO TRAVEL WORLDWIDE

AIB

21+

We now need 6 more banking professionals who are AIBs to join us as Banking Consultants in the rapidly expanding field of computing. Enjoying comprehensive training and outstanding career prospects, you'll use your banking knowledge in depth to advise on the design/modification of computer systems for customers worldwide.

With offices in London, New York, Hong Kong, Luxembourg and plans to open further premises in Europe and the Far East — we're offering you a unique opportunity to capitalise on your banking experience by following a structured career path leading to the highest levels of management.

BIS Software Limited is a fast-growing company specialising in the design, development and implementation of advanced DP systems. Operating internationally in the banking markets, we have successfully installed over 50 systems in 62 locations. We offer top salaries and a range of generous benefits, including a profit-linked bonus scheme, pension/insurance/sickness schemes, over 4 weeks holiday, season ticket loans etc.

Contact Jim Hewitt on 01-928 3651 or send him a brief CV.

BIS Software  
York House, 198 Westminster  
Bridge Road  
London SE1 7UT  
Telephone 01-928 3651

BIS Software

c.£12,000 p.a.

Admin Manager—Europe

LONDON

International Airline

Chartered Secretary/Accountant or numerate lawyer. Male or female. Age 28 plus. European languages an advantage. Career opportunity with extensive travel in Europe and involvement in legal, personnel and administrative negotiations. Candidates must be outgoing, articulate and able to negotiate successfully within a legal/financial framework. Usual airline benefits plus pension/life/medical cover and re-location expenses.

Suitably qualified candidates please phone 01-631 1444 for application form quoting MRD 0016 (24 hour answering service).

MRD

Management Recruitment Division  
BOYDEN INTERNATIONAL LTD.  
87 TOTTENHAM COURT ROAD, LONDON W1P 8ED.  
LONDON, PARIS, BRUSSELS, GENEVA, ROME, MILAN,  
MADRID, BARCELONA, TOKYO, HONG KONG, CARACAS,  
MEXICO CITY, SAO PAULO, AMSTERDAM, MELBOURNE,  
SYDNEY, JOHANNESBURG AND THROUGHOUT THE USA.

## CREDIT ANALYSIS

INTERNATIONAL BANKING

£7,000—£10,000

We have a number of international bank clients who urgently seek capable young bankers to support their expanding Eurocurrency lending activities.

Opportunities occur at a range of levels, in banks of varying shape and size, and include at least one possibility based abroad. In every case, however, the essential requirement is sound credit training and experience, together with the ability to take advantage of the career advancement potential that will accrue from the banks' growth.

Please telephone Ann Costello or John Chiverton A.I.B.

JOHN  
CHIVERTON  
ASSOCIATES LTD.

31, Southcombe Road  
London W.C.1  
01-2425941



## Finance Director Insurance

Paris

Substantial Remuneration

Highly entrepreneurial, a Middle-East based insurance group requires a financial director for its overseas activities centred in Paris.

The initial task is to set up systems for financial control and the production of management information. Beyond this the job involves day to day management of technical staff involved in reinsurance, planning the group's financial and tax strategy and overseeing the investment portfolio.

The challenge posed can be met by an ambitious and creative qualified accountant with extensive practical experience of insurance and reinsurance.

Competence in French is a must, together with knowledge of legal and banking practices in France. Neither age nor salary will be limiting factors.

Applications, which will be treated in strict confidence, should contain brief but relevant details of age, education, career and salary progression, and qualifications.

Please write to P J Williamson quoting ref. 905/FT on both envelope and letter.

**Deloitte Haskins+Sells**  
Management Consultants

128 Queen Victoria Street, London EC4P 4JX

## Opportunities to work in Bermuda Management and Portfolio Accountants

The Bank of Bermuda is a major Bank on the island and is seeking a Management Accountant and a Portfolio Accountant.

The Management Accountant will be a member of the Bank's Accounting Department, participating in the preparation of financial statements, investment accounts, funds, management reports and other management information for the Bank and its subsidiaries. A working familiarity with Electronic Data Processing is desirable.

The Portfolio Accountant will be a member of the Bank's Corporate Trust Services Department and be responsible for the accounting of a group of mutual funds, trusts and companies, including the maintenance of accounts and the preparation of Financial Statements. He or she will work closely with the Management in various International Departments of the Bank.

Preference will be given to applicants with an intermediate standing in a recognised Institute or Society of Accountants and with two to five years' experience in an accounting environment. Salaries are tax free in Bermuda and will be commensurate with experience and background. Generous staff benefits are also provided.

Interviews will be held in London during the week of July 21st.

Qualified persons interested in these opportunities should send a curriculum vitae, including personal details, current salary and telephone number, to the Bank of Bermuda's London Representative:

The Bank of Bermuda Ltd.,  
Representative Office, Grosvenor's Hall,  
Princes Street, London EC2R 8AQ



**THE BANK OF BERMUDA LIMITED**

## Financial Controller

Abingdon, Oxon

c.£10,000 + car

Microphax Limited has grown to become one of the major suppliers of micrographic equipment in the U.K. They are now actively engaged in expanding their product range and developing their business overseas.

Recognising that tight financial control will be critical, they require a young, commercially aware Qualified Accountant to be responsible to the Managing Director for all accounting, management reporting and company secretarial matters.

It will appeal to male or female applicants, with at least 2 years broad commercial experience, who enjoy the variety and involvement of a small company environment and are keen to go places.

Career prospects are excellent and for the right person a Board appointment could be expected within 2/3 years.

Interviews will be held in Oxford and London.

Please send concise personal, career and salary details or apply for an application form quoting Ref: AC 342 to:

W. S. Gilliland, Thornton Baker Personnel Services Limited,  
Fairfax House, Fulwood Place, London WC1V 6DW.  
Telephone: 01-405 8422.

A member of the Management Consultants Association

Personnel and Industrial Relations Consultants

## Management of North American Investment Portfolio

neg. £10,500. London

Our Overseas Investment Department is looking for a Number Two to the operating team responsible for investment in North America.

To the right person the timing of such an opportunity as this must be highly attractive. Last year's lifting of currency restrictions has meant that overseas investment is a rapidly expanding market, and the Prudential's interest is likewise increasing.

Working with your Team Leader you will have full responsibility not only for Prudential's North American holdings but also for those of other funds under management. Your team will be relatively small in number, taking into account the size of funds managed. If you are the person we are looking for however, you will welcome this, for it will enable you, as Assistant Portfolio Manager, to take on that much more responsibility and to enjoy greater opportunity to show your flair and skills.

The successful applicant will probably be aged 25-35 and is likely to have a good degree — probably in economics. Although 3 years' experience in the North American market is essential, this experience need not have been entirely in fund management; some analytical experience would be desirable. Certainly he or she will be highly self-motivated, and able to demonstrate a capacity for innovative thought.

Please send C.V. in strict confidence to Miss M. Bloomfield, Personnel Department, Prudential Assurance Company Limited, 142 Holborn Bars, London EC1N 2NH.

**Prudential**

## Accountant

Oilfield equipment manufacturing group  
West of London

**VECO**

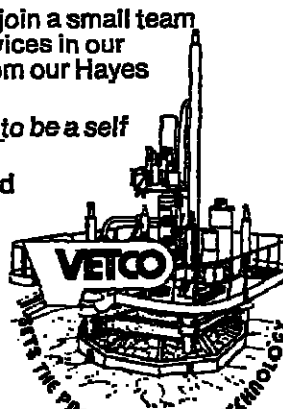
Vetco Offshore, the UK subsidiary of an international company, manufactures and supplies subsea wellhead and associated equipment to the offshore oil industry.

We're looking for a chartered or certified accountant, to join a small team of professionals providing financial and accounting services in our operating area of Europe, Africa and the Middle East, from our Hayes Headquarters.

The oil industry is a fast moving business — you'll need to be a self starter, ideally aged 25-35.

Salary will not be a limiting factor for the right person and benefits are those expected of a major international organisation. Some travel will be necessary.

Please write giving brief career details, to  
T.G. Pateman, Finance Manager, Vetco Offshore Limited,  
Ventura House, 72-74 Station Road,  
Hayes, Middlesex UB3 4DP.



## CHIEF ACCOUNTANT and COMPANY SECRETARY

This is the top accounting job.

This small but highly profitable and recently quoted company is poised for rapid expansion at home and overseas by organic growth and by acquisitions. It has an established base in advertising contracting with many established and prestigious clients.

The challenge is to provide a total and cost effective accounting service—management and financial accounting—cash management—budgeting and budgetary control, planning—investigations—systems development—and company secretarial services.

A record of sustained success in all aspects of accounting for profit and growth within the services sector of commerce is the prime requirement. A Chartered Accountant is likely to be preferred.

Age: ideally mid 30's. The salary indicator is £13,000 with profit related bonus. Car provided. Location: London, W2.

Success can lead to an early board appointment when equity participation can be negotiated.

Letters from suitably qualified men or women should include a detailed curriculum vitae including salary progression to date which will be handled in confidence by Dr A G Roach.

**ROACH**

A G ROACH & PARTNERS,  
MANAGEMENT CONSULTANTS,  
433, EDGWARE ROAD, LONDON W2 1TH

## CHINA ECONOMIST MARKET DEVELOPMENT MANAGER MAJOR HONG KONG GROUP

Hong Kong

to £20,000 Max. Tax 16.5%

Identify the significant industrial opportunities in China for a leading Hong Kong corporation, concerned in joint ventures and two way trade.

Our Client: A respected, well connected group, engaged in substantial export/import trade with China and concerned in turn-key projects and programmes to upgrade Chinese manufacturing facilities. They intend increasing their penetration and participating in further joint ventures.

Your Opportunity: Identify emergent industrial developments in China, developing these into practical projects • Maintain close contact with sources of economic intelligence • Visit China • Build a resource library of European and American products and skills • Prepare the corporate plan.

Your Background: Knowledge and experience of Chinese economy/industrial development programme • Training as economist or market researcher • Experience of economic reviews/Market assessment/engineering/capital markets • Ability to speak Chinese ideal.

Your Rewards: Generous Salary + Bonus + Accommodation + Pension + Other Benefits.

ACT NOW! Telephone or write, in confidence, to the Group's Adviser, Tony Barker (Director) on 01-368 2051 101-368 2055 Night Service. Reference 421.

**M**

**MERTON ASSOCIATES (CONSULTANTS) LIMITED**  
Merton House, 70 Grafton Way, London W1P 5LN  
Executive Search and Management Consultants

## ABU DHABI INVESTMENT AUTHORITY FOREIGN EXCHANGE DEALER

The Abu Dhabi Investment Authority requires a Foreign Exchange Dealer to report to the Foreign Exchange Manager.

Applicants should have at least three years all round dealing experience at a senior level and must be prepared to spend two years or longer living in Abu Dhabi. Free accommodation, car or transport allowance and free medical facilities will be provided. Salary is free of tax in Abu Dhabi.

Please write or telephone for an application form, quoting ref. 1062/FT to W. L. Tait

*Touche Ross & Co. Management Consultants*

Hill House, 1 Little New Street, London EC4A 3TR  
Tel: 01-353 8011 ext. 3185

## DIRECTOR DESIGNATE ACCOUNTING SERVICES—LONDON SALARY NEGOTIABLE

Our client is a small progressive organisation operating internationally in the business services field. It seeks an experienced Chartered Accountant (aged 35+) to control and implement the range of accounting and secretarial services provided for its clients.

The appointment will be of particular interest to applicants wishing to use their auditing experience in a commercial environment. Remuneration will take into account equity participation prospects after an initial period.

Please reply in writing to:

SPINKS, LAWSON-SMITH, BERRY AND CO.  
23, ALBEMARLE STREET, LONDON W1X 3HA  
For the attention of A. M. Lawson-Smith

## REINSURANCE BROKER

required by

LLOYD'S NON-MARINE REINSURANCE BROKERS

Lloyd's and Company Market broking experience essential. Would be advantageous if applicant has proven production record. Interviews granted only to applicants under 35.

We are very staff orientated and offer a good salary to the right person, plus numerous fringe benefits including a non-contributory pension scheme and own company sports and social club.

Full details please to: Box A.7210, Financial Times  
10 Cannon Street, EC4P 4BY  
(All information regarding applicants will be treated in the strictest confidence)

## Management Consultancy Graduate ACA or ACMA

City based  
to £15,000

Management consultancy offers intellectual and practical challenges through dealing with a wide range of clients and problems. Providing impartial and professional advice to management, often at board level, requires consultants whose technical skills and personal abilities are of the highest calibre.

Our need is for ambitious accountants, aged 26-32, with a good degree and examination record. Your career will demonstrate rapid progress and will include at least two years in industry or commerce. Experience of management accounts, stock control, costing and information systems will be of particular interest. Your personal qualities must include

developed commercial acumen, communication skills and an interest in problem solving.

Applications, which will be treated in strict confidence, should contain brief but relevant details of career and salary progression, age, education and qualifications.

Please write to G. W. Thiel, quoting reference 904/FT on both envelope and letter.

**Deloitte Haskins+Sells**  
Management Consultants

128 Queen Victoria Street, London EC4P 4JX

## Jonathan Wren • Banking Appointments

The personnel consultancy dealing exclusively with the banking profession

### INVESTMENT MANAGER

£10,000-£12,000

A leading merchant bank wishes to engage a Portfolio Manager. The ideal candidate, aged between 25/35 years, will possess a degree or professional qualification and have had 2/3 years fund management experience with a merchant bank, stockbroker or insurance company. There is an attractive remuneration package, including mortgage subsidy and an excellent non-contribution pension scheme.

Please telephone PETER LATHAM

### CREDIT ANALYST

to £15,000

Bahrain tax-free  
Due to continuing expansion our client, an international Middle Eastern bank, wishes to engage an additional senior Credit Analyst at its Bahrain offices.

The ideal candidate would have several years experience in an American banking environment, including formal credit training. Those experienced in consortium banking or with an Accepting House may also possess the type of credit experience desired. Preferred age is late 20s/early 30s.

The job content will include the appraisal of new loan propositions, the review of existing commitments and also the training of more junior analysts. In the first instance the appointment is offered on a two-year contract basis.

Please telephone KEN ANDERSON

### FOREIGN EXCHANGE DEALER

£ negotiable

We should like to hear from experienced young Foreign Exchange dealers (aged 24/32) who would be interested in a responsible appointment with a new, rapidly expanding international commercial banking operation in the City. As deputy to the principal dealer, the person appointed will need all-round Foreign Exchange dealing experience including exchanges, deposits and arbitrage.

Please telephone KEN ANDERSON

First floor—entrance New Street  
170 Bishopsgate London EC2M 4LX. 01-623 1266



## COST CONTROL ACCOUNTANT OIL INDUSTRY

ABERDEEN

c £13,000

Our client is a leading oil company operating in the North Sea, whose rapid and successful growth means that they now need someone to supervise a team of five others, to provide administrative and financial support to the Drilling Division.

Based in their new Aberdeen offices, you will work closely with the Drilling Manager and Senior Drilling staff. Your responsibilities will include the maintenance of the drilling cost control system, the preparation and co-ordination of capital, overhead and operating budgets, management reports and expenditure forecasting in respect of all current and proposed drilling projects.

If you have an accounting qualification with

some sound experience over several years in both drilling cost control and analysis and oil operations, the company's projected expansion combined with their management development policies provide excellent opportunities for promotion.

In addition to an attractive salary, company benefits include a non-contributing pension plan, free life assurance, free restaurant facilities and a very generous relocation package.

To apply in the first instance, please contact Mrs. S. Jagger at the company's advisors, Cripps, Sears and Associates, (Personnel Consultants) Burne House, 88-89 High Holborn, London WC1V 6LH, telephone 01-404 5701, telex 893155.

**Cripps, Sears**

## General Manager

C.W.S. Grocery Group • £20,000-£25,000

This is one of the major General Manager jobs within the C.W.S. offering the successful candidate the opportunity to revitalise, develop and expand the total operation on a profitable basis to meet the new challenges of the Eighties and beyond. It reports to the Controller of the Food Division of the Co-operative Wholesale Society Limited and is Manchester based.

The Grocery Group comprises a £120m foods business with eleven factories which market and distribute a range of packaged teas, biscuits, preserves, confectionery, canned goods and other products to Co-operative Retail Societies under the Co-op label and to other outlets at home and abroad. Over 3,000 are employed.

Candidates must demonstrate

several years' successful general management experience carrying profit accountability for the manufacture, marketing, distribution and development of a national multi-product packaged foods business. The ability to maximise resources and achieve profitable growth is vital.

He or she is unlikely to be less than 40 and should hold a relevant qualification. Strong financial acumen, a disciplined management style and a reputation for solving some of today's complex problems in the competitive food manufacturing industry will be especially looked for.

Please write in confidence to H. C. Holmes at Bull, Holmes (Management) Limited, 45 Albemarle Street, London W1X 3FE, who are retained to advise the Society.

**Bull  
Holmes**

PERSONNEL ADVISERS

## Financial Comptroller International Insurance

for a City company belonging to a leading American brokerage-oriented insurance group with 19,000 employees world-wide and a net operating income of over \$230m.

Working closely with the Managing Director and sitting on the Board, the Comptroller's tasks will be to direct the company's financial accounting activities particularly management reporting and control, tax and legal compliance, budgeting and financial administration.

Candidates, 35 plus, must be qualified accountants, from the insurance industry, who have exercised financial control at senior level for some years involving considerable experience with computer based administrative systems.

Salary up to £20,000; car; opportunities for promotion internationally; relocation assistance. Location Greater London.

Please send full details - in confidence - to L. C. Koppen ref. B.42035.

*This appointment is open to men and women.*

**MSL**

United Kingdom Australia Belgium Canada  
France Germany Holland Ireland Italy  
New Zealand South Africa South America  
Sweden Switzerland U.S.A.

Management Selection Limited  
International Management Consultants  
17 Stratton Street London W1X 6DB

## Scott Bader Company Limited

### Financial direction in a unique environment

- Pioneering the concept of common ownership, Scott Bader has developed its special style of management for nearly 30 years. Based near Northampton, the Group has worldwide interests and is a leader in the GRP industry and in creative chemistry-related technology. Scott Bader also supplies emulsion polymers into several significant markets.
- We are seeking a Head of Finance for Scott Bader; he or she will be a leader in the creative development of a £250 million business. Reporting to the Managing Director, the job demands a high level of personal commitment and a flexible, practical management style.
- Requirements include experience at board level; ability to respond to the unique demands on managers; qualified accountant; likely age 35-45. Salary and benefits are for discussion.
- Call Michael Eggers as adviser to the Company for a confidential talk about the job, the challenge and the personal prospects in this unique and fulfilling environment.

**JSP Selection Consultants**

10 Haymarket, London SW1Y 4BP. Telephone 01-839 4953

## Financial Director Designate

Required for an Engineering factory in the North West of England, controlling a staff approaching 70 in number.

The Company is an autonomous member of a successful public group.

The position is a key post in a well integrated Management team.

Candidates should be professionally qualified Accountants with several years top level experience in an engineering or allied industry and a knowledge of computer systems would be an advantage. The duties, which will include a substantial general management element, are self evident, but involve the financial control of a £20m operation and call for firm leadership and communications skills.

The appointment carries a negotiable salary of up to £15,000 plus car and the benefits associated with a successful and profitable company.

Please send C.V. in strictest confidence to Dorothy Greenhalgh, Royds Personnel Services, St. Andrew's House, Portland Street, Manchester M60 7HT.

Please indicate any companies to whom you do not wish to apply.

**ROYDSROYDSROYDS**

Personnel Services

Appointments in strictest confidence

## Opportunity in Bermuda Inspection Officer

The Bank of Bermuda is a major Bank on the island and is seeking a qualified person to manage the audit function of its Inspection Department. This Officer will report to the Bank's Assistant General Manager/Chief Inspector and be responsible for...

Establishment and maintenance of standard for reviewing the Bank's internal controls; identification of weaknesses and recommendations for improvements.

Review of Electronic Data Processing systems and operations to ensure accurate data processing and the security and integrity of our EDP facilities.

Inspection programs for periodic audit of the operations and accounting systems of the Bank and its wholly-owned subsidiaries.

Review of the personal and corporate trust management systems and operations to ensure that the Bank has met its obligations under the trust instruments and fees for such services have been rendered on a timely basis.

The successful candidate will be a Chartered or Certified Public Accountant and will have prior experience in managing the audit function of a large company or a major accounting firm. Working background in a bank or other financial institution would be a distinct advantage.

Important personal attributes are mature judgement, integrity, a high degree of objectivity and personal skill.

The Bank's working environment is progressive and a successful performer in this position will have ample opportunity for advancement. Salaries are tax free in Bermuda and will be commensurate with experience and background. Generous staff benefits are also provided. Interviews will be held in London during the week of July 21st.

Qualified persons interested in this opportunity should send a curriculum vitae, including personal details, current salary and telephone number, to the Bank of Bermuda's London Representative:

The Bank of Bermuda Ltd.,  
Representative Office, Grocer's Hall,  
Princes Street, London EC2R 8AQ



**THE BANK OF BERMUDA  
LIMITED**

**Hudson  
Shribman**

**Banking  
Recruitment  
Consultants**

As Banking recruitment specialists we would like to hear from those who are currently contemplating a career move. Positions which may be of specific interest include:-

**ANALYSTS** - Credit, Energy, Investment and Fund.

**AUDITORS** - Young Bankers or Accountants with languages.

**CORPORATE CREDIT** - Finance and Loan Executives.

**DEALERS** - Commercial, Equity, FX, Money Market, Euro-currency.

**INVESTMENT MANAGERS** - Private Clients and Treasury.

**ECONOMISTS** - Investment, Advisory and Country Risk.

We also have numerous vacancies at clerical grades in Operations, Securities and Dealing.

Reply in the first instance to Mike Jackson.

**RECRUITMENT CONSULTANT** c. £12,000

In expanding our banking recruitment division we require a young articulate self-starter with experience of placing Bankers and Banking staff. You will be rewarded with an attractive salary and incentive bonus scheme.

Reply in the first instance to Malcolm Hudson.

Reply in first instance to Malcolm Hudson.

**Hudson Shribman International Ltd**  
23 College Hill, London EC4  
Tel. 01-248 7851

**St Thomas's Health District  
(Teaching)**

**Assistant Finance Officer  
Endowment Funds**

Scale 18 - £8170-9832 inclusive  
(Salary award Pending)

St. Thomas's Hospital is one of the oldest Teaching Hospitals in the British Isles and under its charter and subsequent benefactions now has substantial trust funds invested in property and stock exchange investments.

The successful man or woman can expect to gain valuable experience in this field of accounting and the appointment would be a good career step for an ambitious accountant aspiring to top financial management in the National Health Service.

You should preferably have a knowledge of Trust Fund Accounting with an emphasis on computerised management accounting and information.

Job description and application forms are obtainable from the Personnel Department, St. Thomas's Hospital, London SE1 - telephone 01-928 3292 extension 202. Closing date for application: 25th July 1980.

## Management Systems Manager

c £13,000

Reuters is an internationally renowned organisation, supplying news and information services to the media and business communities.

The growth of the Company's operations, both in the UK and overseas, has created the need for a manager to take control of an expanding Management Services team operating from our Fleet Street office in London.

The successful applicant will be responsible for the efficient and effective running of the Management Services unit, and be responsible for the design, implementation and development of computer based systems and administrative procedures in all sections of the Company in the UK and overseas. These will include purchasing, sales, accounting and stock procedures and management information systems. He or she will also recommend improvements to management at all levels in planning

and controlling their day to day business and will co-ordinate the development of various expanding functions to achieve cost effective operations. Studies will include organisation, methods, equipment and staffing.

Candidates should have a degree or similar professional qualification with a minimum of 5 years in a senior management services role and at least 3 years experience in a senior management post.

Salary will be negotiable according to qualifications and experience, and benefits will include a company car. Please send your curriculum vitae or telephone for an application form to:

**Recruitment Manager  
REUTERS**

85 Fleet Street, London EC4A 3DF

Telephone 01-553 7299

(This is a 24 hour answering service)

## Financial Analyst

Wilts/Berks Border

c. £9,500

A fast expanding, US owned Company, our client is at the centre of the Groups European Operations, manufacturing and marketing high technology industrial products.

Accurate financial planning and analysis is both the key to the groups vitality and a primary element of its marketing strategy.

The emphasis of your role will be in the formulation and analysis (using sophisticated computer facilities), of financial plans, cash management strategies and the impact of tax planning and transfer pricing on the profitability of the business.

Ideally you will be a qualified accountant aged 24/30, with 2-4 years related experience in an international environment.

You should be ambitious, and a creative thinker, keen to gain excellent experience and total involvement in a high technology environment.

Superb fringe benefits include a full relocation package and non-contributory pension scheme.

Please telephone or write quoting reference RG 3875.

**Lloyd Chapman  
Associates**

123, New Bond Street, London W1Y 0HR 01-499 7761

## Major Gulf Bank seeks a General Manager

Applications for this challenging position are invited from candidates with a minimum of 15-20 years of diversified commercial banking experience with a major international bank. This experience should include a significant general management position in the Middle East/Africa or similar banking environment.

The successful candidate must be available to take up this appointment by September/October 1980 and be fully prepared to accept a three year contractual assignment in the Gulf area.

A liberal compensation package will be offered, commensurate with both the successful candidate's experience and qualifications, and accepted employment practice in this area.

Initial interviews will be conducted in Athens or London as appropriate with subsequent final interview conducted on site.

Please send curriculum vitae including salary history in strictest confidence to: Vincent Depaul Labbate, PO Box 2593, 97 Syngrou Avenue, Athens, Greece.

## EXECUTIVE DIRECTOR

for  
**Financial Services Company**

Small Midlands-based financial services company, part of a listed commercial group, requires an Executive Director to be responsible for the merger broking, company appraisal and investment advisory services. He/She will also be responsible for initiating any new areas of activity as required by the Board and will be expected to introduce work to the company's Corporate Advisory Department. Candidates will probably have an accountancy/merchant banking background and be aged between 30 and 45. Please write in confidence setting age, experience and current salary to:-

Ref. PG, Centreway Trust Limited, 1 Waterloo Street, Birmingham, B2 5PG.

**TAUNTON  
SCHOOL**

**REQUIRED FOR JANUARY 1981  
SENIOR ECONOMIST**

Graduates with experience of Banking, Commerce and Industry particularly welcome as would be Rugby or Tennis players. Attractive pay and conditions. Resident post available for single person.

For further details apply to: The Headmaster, Taunton School, Somerset TA2 6AD



## Marketing Director

c. £25,000

This division of a major group has sales well into nine figures in the chemical field.

The Marketing Director, responsible to the Managing Director, will be someone who can look at the business as a whole and whose training has probably been in classical marketing techniques via the brand management route. Additionally, candidates should ideally have had experience of sales management on a significant scale. The need is for someone who can demonstrate both management skills and a creative record in the development of strategies for profit improvement and who can quickly establish a position as *primus inter pares* with the other functional directors. Consequently only those people with genuine general management abilities and aspirations will be considered.

The location is an extremely pleasant one in the Home Counties and prospects of further development are considerable.

Please write, in complete confidence, quoting ref. 692/FT and giving brief details of experience, age, qualifications and current earnings to:-

### CB-Linnell Limited

8 Oxford Street, Nottingham  
MANAGEMENT SELECTION CONSULTANTS  
NOTTINGHAM - LONDON

## SENIOR INTERNATIONAL AUDITOR

London based c. £15,000

A leading healthcare products company with international operations is strengthening its audit team. The senior auditor now being sought will cover Europe and will report to the director, international audit, in the USA.

Primary responsibilities will be to assist in planning and executing financial and operational audits, with emphasis on manufacturing, and to conduct special studies and investigations for regional and corporate management.

Applicants should be qualified accountants aged over 30, preferably single, with initiative, excellent inter-personnel skills, ability to communicate with all levels of management, thorough knowledge of modern auditing techniques and sound professional and, ideally, industrial experience. Promotion prospects within the group are good and fringe benefits are commensurate with the nature and importance of the position.

Please send brief personal and career details, in confidence, and quoting reference FT/111/M to Douglas G. Mizon at the address below.



**Ernst & Whinney Management Consultants**  
57 Chiswell Street, London EC1Y 4SY.

## YOUNG ACCOUNTANT WITH COMMERCIAL FLAIR

London To £12,000 plus car

Our client is the UK holding company of an expanding private Group whose varied industrial and commercial interests include engineering, ship management, property and plantations.

In view of anticipated further expansion of the Group, including assuming a controlling interest in a quoted company, the Finance Director is seeking a Group Accountant who, in addition to developing and controlling the preparation of financial and management information, will play an important role in the company's overall commercial development.

Applicants, qualified accountants in their mid to late twenties, should possess at least one year's post qualifying experience. It is essential that they be highly motivated and possess the flair and ability to operate within, and contribute to, a demanding and developing small company environment.

Prospects for progression within the Group are excellent.

For further information and an application form, please contact  
Miss Fitzpatrick, A.C.M.A., 410 Strand, London WC2R 0BS. Tel: 01-636 9501, quoting ref. 2334.

### DOUGLAS LLAMBIAS

Douglas Llambias Associates Ltd.  
Accountancy and Management Recruitment Consultants  
and at 26 West Nile Street, Glasgow G1 2PF (041-225 3101)  
3 Gostes Place, Edinburgh EH3 7AA (031-225 7744)



## Finance Director

£18,000-£20,000 + Car

A major British industrial group wishes to appoint a Finance Director for a division engaged internationally in the production and distribution of components. The main elements of the task will be the financial control of the operating companies and forward planning of the division's activities, which have a total turnover of some £40 million.

The successful candidate, preferably aged 35-40, must be a qualified accountant with extensive industrial experience in manufacturing and/or distribution companies.

Location Home Counties. Salary negotiable in the bracket £18,000-£20,000 with company car and good fringe benefits. Relocation expenses if required.

Ref: K7003/FT

REPLIES will be forwarded direct, unopened and in confidence to the client unless addressed to our Security Manager listing companies to which they may not be sent. They should include comprehensive career details, not refer to previous correspondence with PA and quote the reference on the envelope.

### PA Advertising

Hyde Park House, 60a Knightsbridge, London SW1X 7LE. Tel: 01-235 6060 Telex: 27874.



A member of PA International

## Management Accounting & Business Systems to £15,000+car

Our Client is a British Service Sector Group with a high reputation in its particular fields of operation which reflects in a very strong international business position.

In order to support and direct the continued growth of the business the Group wishes to recruit a Chartered Accountant who will participate in the conception and installation of computerised business and accounting systems and will be responsible for the development of the management accounting and financial review functions.

Applicants should be aged 30 or over with a knowledge of computerised business and management accounting systems and the ability to work with and respond to the needs of operating management. Early professional experience should include a period with a large firm supplemented by a further four to five years in commerce or industry.

The position is based at the London West End H/Q.

Please write in confidence to B.H. Mason at 78 Wigmore Street, London W1H 9DQ, showing clearly how you meet our client's requirements, quoting 6188/FT. Both men and women may apply.

### John Courtis and Partners

## ASSISTANT FINANCIAL CONTROLLER c.£11,000

Dixons and Growth go together. We are an expanding public Group engaged in retail and distribution with sales over £100 million p.a.

The Holding Company wish to make a new appointment of an Assistant Controller to analyse financial performance, develop and control Group reporting systems for existing and new businesses.

The person appointed will be an energetic qualified accountant with sound experience in industry or retailing and a thorough understanding of financial controls and analysis. He or she will be in the age range 25-33.

Our success was built on ambition and taking opportunities; so we expect you to be promoted into a line job. Other immediate rewards include an executive car and similar benefits.

Please write in the first instance to:

Dick Andrews, Director of Personnel,  
Dixons Photographic Limited,  
54/58 High Street, Edgware, Middlesex.

### Dixons

A GREAT COMPANY TO BE WITH

## Venture Capitalist

£15,000 to £18,000

Venture Founders Limited is the new British arm of an established American venture capital firm. We are advisors to two new funds, Rainford Venture Capital and Venture Founders Capital, that provide equity capital to new businesses with high-growth potential.

For our small management team, we need another member with British experience. If you have founded, managed or backed a new venture that achieved a profitable turnover of over £1 million, write to:

Brian Haslett, Managing Director,  
Venture Founders Limited,  
4-6 Copthall Avenue,  
LONDON EC2R 7DA

This position is open to male and female applicants.

## INTERNATIONAL BANKING

### A leading Swiss Bank City EC2 seeks Credit Analyst

To assist Senior Analyst in providing appraisals of bank and corporate balance sheets.

Position demands a good educational background and previous banking experience, of which 2 to 3 years should have been in the analysis function.

Attractive remuneration commensurate with qualifications and experience and above average fringe benefits.

Reply in confidence with C.V. to Box No. 342, Streets Financial Limited, 18 Red Lion Court, Fleet Street, London EC4A 3HT.

## Group Financial Controller

(Finance Director Designate) Up to £20,000 for a medium sized public company

Muirhead Limited is seeking to appoint a Group Financial Controller with a view to early promotion to Finance Director. The Company is a listed company with headquarters at Beckenham, Kent. It is the holding company for a medium sized group of operating subsidiaries in the UK and overseas with a turnover of some £30m, employing about 1800 people. The Group is engaged in the design, manufacture and sale of communications equipment, precision components and industrial control equipment marketed to public authorities and private industry, a substantial proportion of its output being exported.

The Group Financial Controller will be responsible for all the financial and accounting requirements of the

Group and for the direction and co-ordination of subsidiary company accounting functions.

The requirement is for a chartered Accountant with extensive senior experience in a listed company, preferably in the electrical/electronic or engineering industries. Candidates must be completely familiar with the financial management of an organisation needing detailed prime cost analysis.

Remuneration and benefits are negotiable but could reach £20,000 p.a. for an outstanding applicant.

Applications should be made in writing, marked "personal" include a detailed curriculum vitae and be addressed to: The Secretary, Muirhead Limited, 34 Croydon Road, Beckenham, Kent BR3 4BE.



## INTERNAL AUDITOR

c. £10,000 + CAR

THE COMPANY—Private Patients Plan is an insurance company providing private medical insurance for over half a million people. The company is expanding rapidly and turnover is now approaching £40m. This growth requires the creation of a senior internal audit function.

THE JOB—Reporting to the Financial Director this is a new position which is responsible for establishing policies for the auditing activity and directing its technical and administrative functions and also for developing and executing a comprehensive audit programme for the evaluation of management controls. The job is based in Tunbridge Wells with occasional travel.

THE PERSON—Applicants should be qualified accountants with experience of auditing in commerce or the profession at management level. Experience of auditing computer systems is essential.

THE REWARDS—A salary is negotiable around £10,000 per annum, together with use of a company car. Other benefits include free PPP, low-cost mortgage, contributory pension and disability schemes and subsidised catering.

If you wish to apply please write or telephone for an application form to: IRIS LEACH, PERSONNEL MANAGER.



### Private Patients Plan

Eynsham House, Crescent Road, Tunbridge Wells, Kent TN11 2PL  
Telephone: Tunbridge Wells 26255

## ASSISTANT CHIEF ACCOUNTANT

£13,000 + car South London

A leading mail order company has created this new post with the emphasis on a broad development role, which will include financial studies and project evaluations as well as computerised and manual systems. It carries with it responsibility for several sections of the finance and accounting division of this major organisation.

Applications are invited from qualified accountants with management experience and the vigour and ability to initiate changes and ideas. These qualities will have been demonstrated by a proven record in industry or commerce.

This post provides an excellent opportunity to play a leading role in the development of a progressive company.

Please send a comprehensive career résumé, including salary history, quoting ref. 1061, to M. D. C. Campbell

### Touche Ross & Co. Management Consultants

Hill House, 1 Little New Street, London EC4A 3TR  
Tel: 01-353 8011

## Financial Manager

Brussels

The regional headquarters of a major U.S. multinational company seeks a qualified accountant to join a small team to appraise and monitor large telecommunication projects in Africa and the Middle East.

The prime responsibilities of the team are to analyse new project proposals to ensure that the financial projections, risks and opportunities are properly evaluated, and to monitor the financial and operating performance of existing projects. Several years of experience with a medium to large international organisation are required, coupled with an imaginative,

mature and enthusiastic approach. The preferred age is 28 to 35. The position is Brussels based but will involve extensive travel, mainly in Africa and the Middle East.

Ref: K7002/FT

REPLIES will be forwarded direct, unopened and in confidence to the client unless addressed to our Security Manager listing companies to which they should not be sent. They should include comprehensive career details, not refer to previous correspondence with PA and quote the reference on the envelope.

### PA Advertising

Hyde Park House, 60a Knightsbridge, London SW1X 7LE. Tel: 01-235 6060 Telex: 27874



A member of PA International

MAJOR FIRM OF LONDON STOCKBROKERS WITH LARGE INTERNATIONAL BUSINESS HAS A VACANCY FOR AN

### ASSISTANT INVESTMENT ACCOUNT EXECUTIVE

Competent to handle home and overseas bank and trustee investment enquiries with the minimum of supervision. Good knowledge of investment statistics essential. Remuneration according to experience and there is a non-contributory pension scheme.

Please write in first instance with details of experience to: Box A.7284, Financial Times, 10 Cannon Street, EC4A 4BY

### Q S

#### BANKING RECRUITMENT CONSULTANTS

Money Market/FX Dealer to £15,000  
Lending Officers to £13,000  
Credit Analysts to £10,000  
Assistant Accountants to £8,000  
Eurobond Settlements to £5,500

Please Ring  
Mike Pope or  
Sheila Anketell-Jones  
01-234 0731

30, QUEEN STREET, EC4



# Reed Executive

The Country's most successful Recruitment Service

## Chief Accountant

West Midlands

c £11,000 (incl bonus) + car

Following promotion of its Chief Accountant the principal engineering division of an American group seeks a highly skilled Chartered Accountant. The company applies strong marketing techniques to promote its range of capital equipment, current turnover £60m. Since qualifying with a major firm the successful candidate will have gained strong man management experience in industry, preferably with an American-owned company and will be aware of changes in legislation affecting reporting requirements, both UK and US. Responsibilities include accurate and timely reporting to tight deadlines together with the control and development of a staff of 30+.

Telephone: 021-643 7226 (24 hr. service) quoting Ref: 1424/FT. Reed Executive Selection Limited, 6th Floor, The Rotunda, Birmingham B2 4PB.

The above vacancy is open to both male and female candidates  
London Birmingham Manchester Leeds

## 3 Young Accountants Move into Management!

Essex : S. London : N. London

Recent promotions have created the need for our client, a well known, highly respected, manufacturing group to make these 3 key appointments.

As part of a team of specialists, you will review and report on all facets of the company's varied and diverse activities. Probably in your mid to late 20's you will be ambitious, self motivated and fluent communicators with an analytical approach towards problem solving.

Starting salary will be negotiable around £9,000 plus usual large company benefits include generous relocation package where appropriate.

To apply please telephone M. J. R. Chapman or write to him quoting reference: 3895.

**Lloyd Chapman  
Associates**

125, New Bond Street, London W1Y 0HR 01-499 7761

## FOREIGN EXCHANGE

We are currently retained by four well-known Banks to recruit the following:

**CHIEF DEALER AGE. 28+ £ NEGOTIABLE.**  
To establish Dealing department, in Singapore

**CHIEF DEALER AGE. 25+ c £15,000**  
To set up Dealing room in new branch

**SENIOR DEALER AGE. 25-30 c £15,000**  
Minimum 3 years' experience of f/x and Depos

**SENIOR DEALER AGE. 24-29 c £12,500**  
Very active Bank — excellent prospects

Please telephone, in confidence, Mark Stevens

**BANKING PERSONNEL**

41/42 London Wall London EC2 Telephone: 01-588 0781

(RECRUITMENT CONSULTANTS)

## Jonathan Wren · Banking Appointments

The personnel consultancy dealing exclusively with the banking profession.

### Lawyer for International Bank

A leading International Bank seeks a Manager to head its small but active Legal Department in London.

Applicants should be around 35 years of age, and have approximately 10 years of experience in banking and allied law. Responsibilities will include provision of sound legal advice to senior management on all aspects of the bank's activities, preparation of legal documentation (including loan agreements) and the monitoring of changes in legislation and legal practice.

A generous salary will be offered together with usual fringe benefits.

Please telephone in confidence, or write enclosing a Curriculum Vitae to: PETER S. LATHAM.

First floor entrance New Street  
170 Bishopsgate London EC2M 4LX 01-623 1266

## FINANCIAL ACCOUNTANT

c. £8,000 Southampton

The Company, part of the International Pirelli Organisation, is one of the country's leading manufacturers of electrical cables with a turnover in excess of £108m.

The successful candidate, male or female, will be responsible to the Chief Accountant for the operation of the corporate financial accounts function and in addition will be required to make a positive contribution in the area of accounting systems development. You should be a qualified Accountant with a minimum of two years' relevant post-qualification experience in Financial Accounting, preferably in a manufacturing industry but relevant experience in the profession may be acceptable in a well-qualified candidate.

The position is based at the Company's headquarters in Southampton, close to the New Forest and Solent and with easy access to several attractive residential areas.

The position attracts the usual large company benefits, including assistance with relocation expenses where appropriate.

Please apply giving brief details of qualifications and experience to:

**PIRELLI  
GENERAL**

C. L. Baldam  
Staff Officer  
PIRELLI GENERAL  
CABLE WORKS LTD.  
P.O. Box 4  
Western Esplanade  
Southampton  
Tel: Southampton 20381  
Ext. 150

## GULF INTERNATIONAL BANK B.S.C.

### EXPERIENCED CREDIT ANALYSTS

£15,000 + TAX FREE

Due to continuing business expansion, we wish to recruit a number of experienced Credit Analysts to be based in the Bank's Head Office in Bahrain.

Candidates, aged 26-35, will ideally have had formal credit training possibly with an American Bank. The willingness and ability to train others is considered very important.

These positions are initially on a two-year contract basis but may be renewed by mutual agreement.

Rewards and other benefits offered are extremely competitive and designed to attract candidates of outstanding quality.

Interested candidates should write enclosing C.V. in the first instance to:

Mr. P. A. Parrott  
GULF INTERNATIONAL BANK BSC  
8-13 King William Street, London EC4P 4LD

All applications will be treated in the strictest confidence.

## MANAGEMENT ACCOUNTANT

required by medium sized Building Contracting Company based in Dulwich Village, London. Responsibilities will include the provision of management and financial accounts, supervision of staff dealing with wages, cost control, credit control and secretarial duties, together with insurance and legal aspects and pension fund administration.

Knowledge of computerised systems related to recently installed Burroughs B80 system essential.

The candidate must be qualified and preferably experienced in similar business.

Excellent salary plus car.

Please write giving full details of career to:

T. H. Hollings  
W. J. MITCHELL & SON LTD.  
88 Dulwich Village  
London SE21 7AH

## EXPERIENCED INVESTMENT ANALYSTS

Laurie, Milbank & Co

are looking for well qualified and experienced Analysts to join teams specialising either in Oils and Chemicals, the Consumer Non-Durables Sector or in the Capital Goods Sector. We would like to hear from individuals who might wish to develop their skills within a secure and expanding environment where imagination and initiative will be well rewarded.

Please reply in complete confidence to:

T. J. Amies, F.C.A.  
LAURIE, MILBANK & CO.  
Portland House  
72/73 Basinghall St, London, EC2V 5DP

## STOCKBROKING

### Research and Sales Co-ordinator

One of the City's leading Stockbrokers invites applications for a Research and Sales Co-ordinator.

This is a new position recently created by the company. The candidate, who will be expected to have extensive professional experience, and a knowledge of stockbroking and institutional requirements, will co-ordinate the well established research and institutional sales teams. The company is looking for an outstanding and mature candidate who can expect a status and remuneration commensurate with the responsibilities.

Applications which will be treated in strict confidence to:

David Sheppard,  
DAVID SHEPPARD & PARTNERS LTD.  
21 Cleveland Place,  
London SW1Y 6RL

## Challenging Opportunities for Actuarial Students

ABBEY LIFE is on the threshold of considerable expansion. We are seeking Actuarial Students to join an existing successful team at our Head Office in Bournemouth. To make an important contribution to our expansion plans, we need high calibre men and women in the following areas who can readily accept the challenge of responsibility whilst maintaining a successful examination record.

### Product Management

Technical design of new products for our innovative range, including analysis of market needs and competitor development.

### Financial Analysis

Development and use of sophisticated modelling processes in order to advise corporate management on short and medium-term planning.

### Business Development

Research into new fields of business activity within the life assurance sector and outside, including development of recommendations for medium and long-term changes in corporate direction.

These opportunities will be suitable for students who have recently completed the Group A examinations, or expect to do so this year.

Salaries will be in the range of £7,000 to £9,500, depending on ability and experience. An excellent benefits package includes, a subsidised mortgage scheme, flexible working hours and full relocation allowances.

Please write with career details or telephone for an application form to:

J.A. Gough, Recruitment Manager  
Abbey Life Assurance Co. Ltd.  
Abbey Life House,  
80, Holdenhurst Road,  
Bournemouth, BH8 8AL  
Tel: Bournemouth (0202) 292373



**Abbey Life**

## Divisional Finance Director

S.W. Yorkshire

c. £12,500 + Company Car + Bonus

Our Client can show a profit record which is highly creditable and gained with the assistance of effective and enlightened senior management. To ensure that this pattern is continued, a position is being created which would be challenging for a qualified accountant aged 30-40, commercially orientated, practical and with a high degree of business acumen, who wants to become more involved in general management. Working closely with the Divisional Managing Director, there should be significant future prospects for the right candidate, male/female, to develop a successful and varied career with this progressive engineering group. In addition to certain routine matters, the person by implication will cover a wide variety of interesting tasks, especially the continuing development of the Division by expansion and acquisition.

Telephone Walsall 614455 (24 hr. answering service) for an application form quoting ref. 574. Phipps Management Selection, Oriel Chambers, Bridge Street, Walsall, West Midlands, WS1 1DP.

**Phipps**

Management Selection

## 20 Senior Appointments

### FINANCIAL CONTROLLER

Heathrow

£10,000 neg. + Car

Our client, a freight forwarding subsidiary of a rapidly expanding UK group, offers an outstanding career opportunity for a young qualified accountant looking for early responsibility. Reporting to the M.D., duties will include capital expenditure control, forecasting, budgeting, forward planning and ad hoc projects. The successful applicant will almost certainly have had experience of a computerised accounting system. Salary is negotiable and benefits will include a car.

Apply in confidence quoting reference E1303 to Mark Lockett.

ACCOUNTANCY PERSONNEL SENIOR APPOINTMENTS  
41 London Wall, London EC2M 5TB 01-588 5105

## PROMOTION EXECUTIVE

We are seeking a highly motivated individual with sales experience and/or insurance knowledge looking to diversify into public relations and other related professional activities. Enthusiasm will be an asset.

The successful candidate must have drive and a will to succeed, be of good appearance and probably in his/her early 30's.

Excellent remuneration and fringe benefits are offered for the right person who is looking for an opportunity to diversify into a new career with leading international company based in London.

Write Box A.7235, Financial Times, 10, Cannon Street, EC4P 4BY.



**R. P. MARTIN & CO.  
LIMITED**

International Money Brokers

are looking for experienced dealers to work in our expanding Local Authority Department.

Ideally, we are looking for brokers with at least three years' experience of this market. Under exceptional circumstances we would consider someone with less experience.

Please telephone G. Wetton or M. Church 01-600 8691

or write to  
36/40 Coleman Street, London, EC2

## FINANCE DEPARTMENT

### SENIOR FINANCE OFFICER

£7,677-£8,487 per annum inclusive  
(Pay Award Pending)

We are seeking an experienced dealer to be responsible for servicing the Authority's £250 million loan debt. The duties involve negotiating daily in the money market, advising on borrowing policy, maintaining records of loans transactions and generally ensuring compliance with the Voluntary Code of Practice.

A professional qualification would be of assistance, although the lack of one should not deter experienced applicants. Benefits include generous leave entitlement, flexible working hours and interest-free season ticket loans. General relocation expenses and housing may also be available in approved cases.

Application forms quoting reference F235 from the Director of Finance, 91 The Grove, Stratford

E15 1EW, or telephone 01-534 4545 Ext. 364.

Closing date: 28th July 1980.



## CONFIRMING HOUSE

Rapidly expanding UK business house seeking to start confirming activity. Applications are invited from candidates having good knowledge of and personal contacts with Africa, South America and Mid-East countries. The person selected would be required to travel frequently. Salary negotiable.

Please write giving full career details to date to:  
Box A7238, Financial Times, 10 Cannon Street, EC4P 4BY.

FRANKLIN MINT LIMITED, the U.K. subsidiary of one of the world's largest leading consumer direct marketing organisations, is currently seeking to recruit a progressive young.

### FINANCIAL ACCOUNTANT

who will report to the Financial Controller for the operation of the day-to-day finance function. You will also, with the assistance of nine accounts staff, provide a financial reporting service in line with both group and local requirements.

This post would ideally suit a qualified accountant in their mid to late 20's, who is looking for a responsible and challenging position where effort will be rewarded both financially and in further advancement within the Franklin Mint organisation.

A salary in the region of £9,000 is offered, together with the additional benefits normally afforded by successful progressive companies. In the first instance, either write with full details or telephone for an application form, to Mary Gifford at:

Franklin Mint Ltd.,  
138 Bromley Road,  
London S.E.6  
Tel: 01-697 8121





# TODAY'S CHALLENGE

## WORKING-STORAGE SECTION.

```
01 DATA-1.
03 DATA-2 PIC X(75) VALUE
***THEKEYWORDTHATYOUATTAI
NFROMTHESTATEMENTS COULD
OPENUPYOURCAREERPROSPECTS
03 F-REDEFINES DATA-2.
05 DT PIC X OCCURS 75.
01 KEYWORD.
03 K1 PIC X OCCURS 6.
01 S1 PIC 999 VALUE 86.
01 S2 PIC 9.
```

## PROCEDURE DIVISION.

```
A-1.
PERFORM B-1 VARYING S2
FROM 1 BY 1
UNTIL S2 > 6.

STOP RUN.

B-1.
COMPUTE S1 = S1 * S2.
SUBTRACT 50 FROM S1.
MOVE D1 (S1) TO K1 (S2).
```

## If you have discovered the Keyword from the above coding congratulations!

Obviously you have skill, but are you making the most of it? To compare where you are today with where you could be tomorrow, ring us and mention the KEYWORD. To all successful people we will mail a special pack of information describing the business activities of one of the world's major computing companies. Together with details of their training and development policies, it includes the job specification and salary package of a current vacancy where your particular talents can be fully appreciated.

To check whether your future is as promising as it could be, just pick up the phone.

We will provide the information — we leave the decision up to you.

## hutchinson-scoggins

47-48 New Bond St London W1Y 9HA Telephone 01 499 4501

## GROUP TAX ACCOUNTANT

Westminster

c £12,500

John Brown and Company Limited, a public quoted Company with four major divisions and about 50 operating subsidiaries, is seeking a Chartered Accountant, aged 30-45, with considerable taxation experience, including a knowledge of U.S.A. taxation.

The job is located at 8 The Sanctuary, Westminster, and whilst the major part is involved with Group taxation matters, responsible to the Group Financial Controller, there would also be involvement with consolidating Group accounts and Group cash investment.

A salary of around £12,500 and Company car is envisaged, with all the usual major Company benefits.

Please reply, in confidence, with full details of experience, qualifications and present salary, to C. G. Roper, Company Secretary, John Brown and Company, Limited, 8 The Sanctuary, London, SW1P 3JU.

## FOREIGN EXCHANGE MANAGER

London Subsidiary of major European Bank is seeking an experienced and highly motivated foreign exchange manager or senior dealer ready to take on the day to day management of a new money desk and participate in the bank's treasury management.

We are especially interested in developing expertise and market making capability in the Scandinavian currencies.

The job offers an attractive salary in the £15,000 to £20,000 range, depending upon experience, with a generous package of fringe benefits.

Send curriculum vitae or personal details to Box A.7236, Financial Times, 10, Cannon Street, EC4P 4BY.

## FINANCIAL JOURNALISTS

GO TO WHERE THE BUSINESS ACTION IS

Among nations in these troubled economic times, the South African economy is expected to grow by at least 5 per cent this year.

And with the boom comes exciting new opportunities in financial journalism.

The South African newspaper group which leads in this field needs writers with experience in industry, investment, banking and finance, and mining.

Specialists interested in living in the sun and earning top rates in a thoroughly professional environment should telephone the editor's secretary at 01-353 4473 or write to South African Morning Newspapers Group, 135 Fleet Street, London, EC4P 4BL.



American  
Community  
Schools

## Chief Accountant £10,000-£12,000

Against the stimulating background of the American education system, provided through our five co-educational schools in London, Middlesex and Surrey, there now exists an interesting opportunity for a professionally qualified Accountant, who'd enjoy the challenge of heading up our Accounts function based at our offices adjacent to South Kensington tube station.

As Chief Accountant you will be responsible to the Directors for a turnover of approx. £3.1m and staff of eight. This will not only require you to be capable of motivating and guiding staff to achieve maximum performance, but also to have the ability to anticipate requirements with flair, imagination and attention to detail.

Your first job will be to carry out an immediate assessment of the Department and rationalise the work in hand — which includes computerisation — and then implement comprehensive accounting and management information systems.

We are looking for a man or woman who, in addition to having good all round experience, combines the qualities of leadership and enthusiasm with efficiency and compatibility and has a genuine interest in creative problem solving.

Starting salary will be dependent upon previous experience. We offer B.U.P.A., an interesting benefits package and excellent prospects in a growing concern.

If you'd like to find out more, please send a full curriculum vitae, to Mrs. D. Reed, Personnel Manager, American Community Schools Ltd, 5 Cromwell Place, London SW7.

## Institutional Sales

A leading firm of City-based stockbrokers is seeking an additional executive for its Institutional Equity Selling Department. The firm's business is strongly research orientated and the candidate will be required to develop both existing and new institutional contacts from a strong base. The position will involve a high degree of responsibility and requires a willingness to work hard towards achieving substantial targets.

Candidates should ideally be aged between 27 and 33 and have at least three years' experience in institutional selling. The position could also be attractive to those with experience in analysis who wish to pursue a selling career or to dealers from institutions who wish to move into stock-broking.

The salary offered will be subject to negotiation but should be of interest to those currently earning around £10,000.

Replies should include a brief resume of the candidate's career to date and educational background, and should be sent, with a covering letter specifying firms to which the candidate does not wish his application to be forwarded, to Box A7237, Financial Times, 10, Cannon Street, EC4P 4BY.

## BUILDING AND CIVIL ENGINEERING JOANNOU & PARASKEVAIDES (O) LTD NIGERIA

### GENERAL MANAGER

Applications are invited for the above position from suitably qualified personnel. The person appointed will be an experienced and dynamic manager, with the personality and aptitude to handle, lead and motivate staff, and with the business acumen to promote future growth. Proven experience of similar responsibilities with a major contractor is an essential qualification.

The position will be based in Lagos and will carry a negotiated salary in excess of £30,000 per annum, plus generous incentive benefits, free furnished married accommodation, company car, paid leave and airfares for self and family, free medical care and benefits normally associated with such a senior position.

Interested applicants should apply in confidence to:

**J&P**  
The General Manager  
Joannou & Paraskevaides (O) Ltd.  
c/o Joannou & Paraskevaides  
(UK) Ltd, Kendal House  
203 Regent Street, London W1R 7DE  
Tel: 01-439 7581

## Lawyers For Middle or Far East

Coward Chance are expanding their overseas operations and require young qualified lawyers to handle important international commercial, financial and shipping work with a view to subsequent posting to their Gulf or Far East offices.

Applicants should have a good degree but previous relevant experience, although desirable, is not essential.

Length of overseas service will be negotiable and salary and other benefits will be competitive.

Please write with full c.v. to: G. L. Warcham, Coward Chance, Royce House, Aldermanbury Square, London EC2V 7LD.

COWARD CHANCE

## CONTRACTS CLERK

Phillips and Drew have a vacancy in their General Office at BRENTWOOD for an experienced CONTRACTS CLERK.

We offer a competitive salary, bonus, £1 per day luncheon vouchers and contributory pension scheme.

This year's holiday arrangements will be honoured.

Please write in the first instance to:  
The Staff Manager, Phillips and Drew,  
Lee House, London Wall, London, EC2Y 5AP

## LEADING ARAB CONSORTIUM BANK

requires:

## Senior Executive

aged 37/45 preferred

Experienced in loan syndication, bonds and securities Treasury and foreign exchange together with all associated accounting procedures

Normal expatriate benefits provided—Salary negotiable tax free, paid in U.S. Dollars

Please apply with full c.v. to Box A.7229, Financial Times, 10 Cannon Street, EC4P 4BY

## Account Executive

The London Fixed Income Unit of a major international investment group requires an experienced Account Executive able to act as adviser to major accounts, represent the Firm's financial products and services, and develop new business. Excellent knowledge of the market for U.S. Government and U.S. Federal Agency securities is essential, as is equal knowledge of domestic, Eurodollar and Asiadollar money markets, including certificates of deposit, banker's acceptances and commercial paper. Good knowledge of economics (particularly of USA), ability to rapidly analyse fiscal, monetary and political news and relate it to financial markets and clients' portfolios is vital. Salary package circa £15,000 per annum.

Please write, in strictest confidence, enclosing curriculum vitae, to:  
Box A7239, Financial Times, 10 Cannon Street, EC4P 4BY

## COMPANY NOTICES

**HOPE STREET FUND S.A.**  
Société anonyme  
Registered Office:  
LUXEMBOURG, 14, rue Aldringen  
Régistre de Commerce:  
Section 8, No. 8.335

### NOTICE OF EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS

An extraordinary meeting of shareholders of HOPE STREET FUND S.A. will be held at its registered office, 14, rue Aldringen, Luxembourg, on July 18th, 1980, at 15.30 hrs. for the purpose of considering and voting upon the following matters:

1. To amend paragraph 2 of Article 21 of the Articles of Association by deleting the words "or that no more than 15% of the part of the profits arising from dividends and interest may be retained";
2. To renew the authorisation to issue additional shares within the authorised capital for a further five years period.

This extraordinary meeting will be followed by the Annual General Meeting of Shareholders of the company which will be held at the same address at 18.15 hrs. for the purpose of considering and voting upon the following matters:

1. To hear and accept the reports of: a. the directors; b. the statutory auditor.
2. To approve the balance sheet and the profit and loss account for the year ended March 31st, 1980 and to consider declaration of dividend.
3. To discharge the directors and the auditor with respect to their performance of duties during the year ended March 31st, 1980.
4. To elect the directors to serve until the next annual general meeting of shareholders.
5. To elect the auditor to serve until the next annual general meeting of shareholders.

THE BOARD OF DIRECTORS.

**MURRAY FUND S.A.**  
Société anonyme  
Registered Office:  
LUXEMBOURG, 14, rue Aldringen  
Régistre de Commerce:  
Section 8, No. 8.335

### NOTICE OF EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS

An extraordinary meeting of shareholders of MURRAY FUND S.A. will be held at its registered office, 14, rue Aldringen, Luxembourg, on July 18th, 1980, at 15.30 hrs. for the purpose of considering and voting upon the following matters:

1. To amend paragraph 2 of Article 21 of the Articles of Association by deleting the words "or that no more than 15% of the part of the profits arising from dividends and interest may be retained";
2. To renew the authorisation to issue additional shares within the authorised capital for a further five years period.

This extraordinary meeting will be followed by the Annual General Meeting of Shareholders of the company which will be held at the same address at 18.15 hrs. for the purpose of considering and voting upon the following matters:

1. To hear and accept the reports of: a. the directors; b. the statutory auditor.
2. To approve the balance sheet and the profit and loss account for the year ended March 31st, 1980 and to consider declaration of dividend.
3. To discharge the directors and the auditor with respect to their performance of duties during the year ended March 31st, 1980.
4. To elect the directors to serve until the next annual general meeting of shareholders.
5. To elect the auditor to serve until the next annual general meeting of shareholders.

THE BOARD OF DIRECTORS.

## EUROPEAN DEPOSITARY RECEIPTS ISSUED BY MORGAN GUARANTY TRUST CY OF NEW YORK

Resolving shares of KIBOTA LTD.

The General Meeting of shareholders of KIBOTA LTD. will be held at July 11, 1980, at the Company's Head Office in Osaka.

### AGENDA

1. Approval of the business report, balance sheet and profit and loss statement for fiscal year from April 1st, 1979 to April 15, 1980.
2. Election of 3 directors.
3. Election of 3 statutory auditors.
4. Revision of the amount of remuneration for directors and statutory auditors.
5. Payment of retirement allowances to the retiring directors and statutory auditor for their meritorious services.

Shareholders who want to exercise their voting rights must deposit their certificates, not later than July 10, 1980 at any of the following:

Morgan Guaranty Trust Cy of New York Inc.

Branches: Avenue des Arts, 35, London, Angel Court, Frankfurt/Main, Boeckenhelm, Lindstraße, 8, Paris, Place Vendôme, 15, Rome, Via Veneto, 15, San Francisco, 100 California Street, 15, Tokyo, 1-10-1, Marunouchi, 15, Zurich, Bahnhofstrasse, 43, 4d.

Shareholders with instructions indicating the way the shares are to be voted or allowing Morgan Guaranty Trust Company of New York to act as a discretionary proxy to a person designated by the Company.

## NOTICE OF MANDATORY RESCRIPTION THE RURAL AND INDUSTRIAL BANK OF AUSTRALIA

(The Bank)

AS/DM BONDS DUE 1987

NOTICE IS HEREBY GIVEN that pursuant to Clause 38 of the terms of the AS/DM Bonds, the Bank is required to redeem the bonds on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.

The Bank has been notified by the Reserve Bank of Australia that the bonds are to be redeemed on 15 August 1980.



20  
LOMBARD

# Mixing business with government

BY ANATOLE KALETSKY

ANY ATTEMPT by Britain to return to the true faith of market economics is the nearest thing to industrial suicide that one can envisage. "We cannot hope to come to terms with the desperate economic plight of our society until everyone accepts that the only alternative to the workings of the market place is tyranny and incompetent waste on a grand scale."

These two statements crystallise in the sharpest possible way the longest-running, and the most important, struggle in the political and economic life of post-war Britain. Their authors—the former Planning Director of the National Enterprise Board and the managing director of Granada Group Services—epitomise, in their jobs, the polarisation between the bureaucratic and the entrepreneurial approach to the economy which is growing sharper in every industrial country.

## Self-destructive

Or do they? The two seemingly implacable opponents in this debate are, in fact, one and the same person—Mr. Maurice Marks, who, like several NEB and nationalised industry executives, has moved between the private and public sectors with a natural ease which belies the doctrinaire assumptions on which both parties based much of their industrial policy. The two seemingly contradictory statements I have quoted are actually perfectly consistent elements of a most persuasive discussion, published in the latest issue of *The Business Economist*, of the sort of self-destructive forces which have hurled Britain from the top to the bottom of the world industrial order in a single generation.

Mr. Marks argues that government involvement in long-range industrial planning is entirely compatible with the operation of market forces, provided that government policy is "guided by price and long-term profit considerations." But market forces alone may not work as well in creating the next generation of industries as in organising production efficiently over a shorter period. This is largely because of uncertainty, which government

co-ordination and planning can do a great deal to reduce (a point which is readily conceded by market economists when it comes to the publication of medium-term monetary plans).

But Mr. Marks's message—that there should be closer co-operation between industry and government—does not baffle on theory, which is in any case never conclusive in such matters. A look at the superior economic performance of other countries which are less purist than Britain in their regard for market forces provides for more striking evidence for his position.

Contrary to the widely held view among British politicians of both parties, this country is less of a "mixed economy" than many others when it comes to the Government's influence over the whole industrial structure.

Most businessmen with personal experience of foreign markets are, of course, well aware of the interventionist attitudes of the French Government in public purchasing and export promotion, or the American Government in funding private research (to the tune of \$28bn last year) through defence and other public agency contracts.

This makes it all the more surprising that, as soon as they return to Britain, these same businessmen take for granted and even whip up through their public statements, the animosity and suspicion that has poisoned every attempt to bring government and industry closer together in this country. Indeed, even an innocent concept like bringing government closer to industry "is seen as a product of creeping socialism."

## Genuine perils

No doubt Britain's long and enviable tradition of economic and political liberalism has something to do with this determination to segregate the private domain from the public.

But it is also, perhaps, because the British business establishment has never been confronted with real "tyranny" and never dealt with authentic communism, that it can confuse these genuine perils with the helpful attempts to make capitalism work better that are taken for granted in other, less sheltered, societies.

ANYONE DEALING in options and futures, whether these concern commodities, shares or foreign exchange, is on tricky ground in Germany. Such deals fall under the general principle of the German civil code that gambling debts are unenforceable. It would be easy if that were the only rule. But rules abound, differing according to the type of person engaged in them. Those deals which are made at bourses or other regulated exchanges and markets can benefit from the exemption of the German *Bourse Act* (BoersG), which makes such deals binding, and enforceable, if concluded between persons who are either registered as "full merchants" in Germany, or resident abroad, and without any business establishment in Germany.

Whether the deal is binding is not always easy to say, but more questions follow. What is the status of any bank balances resulting from or including credits of profits from such unenforceable differential deals? And what is the status of ancillary agreements concluded between the gambler and his brokers, agents and other intermediaries?

The first question was answered by the German Federal Supreme Court (BGH) last year, when dealing with

one of the murky affairs which surfaced after the failure of the Herstatt Bank. The case was brought before the court by a former foreign exchange dealer in one of the leading Swiss banks. In 1973 the Herstatt bank opened for him a current account and a deposit account, both under the name of his mother-in-law, resident in Germany. It was not disputed that this was a device to conceal the true identity of the customer. When the bank failed in 1975 the credit balance of the current account was over DM 1m, and more than half of this originated from differential foreign exchange deals.

The Herstatt receiver struck the amount originating from differential deals of the books as an unenforceable "natural" claim, and the Swiss customer asked the courts for a declaration that this was wrong, arguing that he was a foreign resident and the bank was a "full merchant", so that the differential deals were binding and enforceable. In the end the case was remitted to lower courts to decide whether there were any differential deals at all, or whether, in fact, there was a conspiracy between the Swiss accounts holder and the Herstatt dealer, the aim of which was to defraud money from Herstatt.

Before reaching this conclusion, however, the BGH also made a ruling on the status of

the bank balances. It held that when a bank credits the unenforceable profit of differential deals to the client's account, the amount so credited remains "natural" claims which cannot be enforced in courts, and a formal confirmation of the credit balance by the bank makes no difference. Even a transfer of the balance from a current to a deposit account does not render the claims enforceable.

The question whether the

In June 1977 VHK went into liquidation and transferred the management of the account to the Phoenix Kapital-Dienst, also in Frankfurt. This transfer was made with the approval of the client, who had at the time one transaction outstanding with the London brokers. This was a "put option cocoa London 12/77" acquired on June 14. It entitled Mr. XY to sell at the strike price at any time before the expiry of the option, and

profit was derived from a differential deal that was not binding. Mr. XY argued that the money was collected from the London brokers by Phoenix, which was acting as his agent and that its origin was irrelevant. The court of the first instance dismissed the action, but the Frankfurt Appeal Court reversed the decision, reasoning that the option of unenforceability could not benefit an agent who collected the profit on behalf of the speculator. Once the profit was in the hands of the agent the action aimed only at recovering the money for the person entitled to it.

The BGH thought that things were not so simple. It confirmed that the deals concluded on the London commodity markets fell into the category of foreign deals subject to Sections 52-60 of the BoersG irrespective of whether the deals were governed by German or foreign law. According to Section 60 the provisions concerning the enforceability of deals extend also to ancillary contracts, for example to the instruction received by an intermediary. If the main deal is binding, the ancillary agreements are also binding, and vice versa.

In the present case, said the BGH, the deal was not enforceable because at the critical time Mr. XY was resident in Germany and not registered as a

merchant. It followed from Section 60 of BoersG that his relationship with Phoenix could produce only "natural" claims unenforceable in court. The Appeal Court overlooked that the precedent which it invoked concerned only profits originating from a gamble which did not fall under the BoersG, but under the German civil code, which has no provisions concerning the enforceability of deals pending on the deposit. There was no trickery on its part, and Mr. XY could not prevail on this account.

Mr. XY lost, but can be proud of having contributed to the clarification of a difficult and internationally interesting point of law.

\* BGH 12 ZR 144/78 FT European Law Letter, January, 1980.  
\* BGH 12 ZR 289/79. Unreported.

## BUSINESS AND THE COURTS

By A. H. HERMANN, Legal Correspondent

profits originating from unenforceable differential deals can be claimed when in the hands of brokers, agents or other intermediaries has been answered by the BGH in its judgment of May 19, 1980, the text of which has just become available.

The action was brought by Mr. XY, owner of an important German publishing group, who, however, was not registered as a "full merchant" in his personal capacity. Since the beginning of 1977, Mr. XY had specialised commodity options through VHK, a Frankfurt finance company which managed an account opened for Mr. XY by London brokers.

Mr. XY did so on November 30, with a profit of £3,950 which Phoenix credited to his account.

Under normal circumstances Phoenix would, doubtless, have paid this profit to the client. However, Mr. XY claimed from Phoenix partial repayment of DM 108,000 which he had deposited with VHK when he started to use its services. He looked to Phoenix as the legal successors of VHK. But Phoenix denied any responsibility for the money which Mr. XY had deposited with VHK.

Because of this dispute Phoenix refused to pay out the profit from the realised option and, when sued, argued that the

## Moorestyle wins confidence

WITH NO sign of a let-up in the weather, Newmarket's rain-soaked July Course seems sure to be riding soft this afternoon; and backers are best advised to sort out those who act in the prevailing conditions.

One for whom yielding ground will present no problems is the Manacle colt.

and Valeriga, was at his best on the Moores. International Furnishings felt when the combination landed the near £9,000 Northwick Trophy at York eight weeks ago. Moorestyle managed to lower the seven-furlong course record with a time of 1 minute 23.7 seconds, despite carrying a stone 2 lb.

Although that success, and also his victory in the Tote Free Handicap, was achieved on fast going, Moorestyle almost certainly requires some cut in the ground.

Kearney, Sharpo and Valeriga, the first three in Royal Ascot's York and Orrey Stakes, renew rivalry, and today's terms Sharp looks to have the edge. The Jeremy Tree colt may well run well, but I see a greater threat to Moorestyle in Hard

Fought, whom Pigott steered to a cleverly gained victory in the Jersey Stakes on the preceding day of the royal meeting.

There was no easier Ascot winner than April Bouquet, who scored an easy victory in the 21-runner Britannia Stakes. Michael Stoute, among the many who thought that Windy Hill would be hard to beat, again runs him. However, even on 7 lbs better terms, it is difficult to see the Beechurst colt turning the tables.

## NEWMARKET

2.30—Dixie Heights  
2.30—Al Kuwait  
3.05—Moorestyle  
3.35—April Bouquet  
4.10—Cassina  
4.45—Northern Supreme

## SCOTTISH

10.25 am Welcome to the Calidh.  
10.30 Documentary. 11.15 Look Who's Talking. Roger Whittaker. 11.45 Sally and Jack. 12.30 pm About Gail. 1.20 pm Mopac. 2.00 Crossroads. 2.30 pm Look Familiar. 4.15 Larry the Lamb. 4.25 Salvage One. 5.20 Crossroads. 6.00 Scotland Today News and High Summer. 6.15 pm World Wide. 6.30 pm Doctor Doom. 7.00 Thumping. 7.10 pm Soap. 11.00 Jazz. 11.30 pm Rennie Scott Quartet with Charlie Morrissey and Jim Mullin. 11.30 pm Big Break International. 12.15 am Late Call.

## SOUTHERN

10.25 am "Georgia," starring Alastair Sim and Bill Travers. 12.30 pm Against the Wind. 1.20 Southern News. 3.45 Look Familiar. 4.15 Tarzan. 5.10 Mr. Mogot. 5.20 Crossroads. 6.00 Day. 6.30 University Challenge. 7.00 Emmerdale Farm. 7.30 Rock With Laughter. 10.35 People. 11.05 Celebrity Connection.

## TYNE TEES

8.20 am The Good Word followed by North-East News. 10.20 The White Stone. 11.05 Morning. 11.30 pm Redgrave. 1.20 pm North-East News and Lookaround. 3.45 Look Familiar. 4.15 Salvage One. 5.20 Crossroads. 6.00 Scotland Today News and High Summer. 6.15 pm World Wide. 6.30 pm Doctor Doom. 7.00 Thumping. 7.10 pm Soap. 11.00 Jazz. 11.30 pm Rennie Scott Quartet with Charlie Morrissey and Jim Mullin. 11.30 pm Big Break International. 12.15 am Late Call.

## ULSTER

10.25 am Welcome to the Calidh. 10.30 Documentary. 11.15 Look Who's Talking. 1.20 pm Lunchtime. 3.45 Look Familiar. 4.15 Tarzan. 5.10 Mr. Mogot. 5.20 Crossroads. 6.00 Day. 6.30 University Challenge. 7.00 Emmerdale Farm. 7.30 Rock With Laughter. 10.35 People. 11.05 Celebrity Connection.

## WESTWARD

10.25 am Welcome to the Calidh. 10.30 Documentary. 11.15 Look Who's Talking. 1.20 pm Lunchtime. 3.45 Look Familiar. 4.15 Tarzan. 5.10 Mr. Mogot. 5.20 Crossroads. 6.00 Day. 6.30 University Challenge. 7.00 Emmerdale Farm. 7.30 Rock With Laughter. 10.35 People. 11.05 Celebrity Connection.

## YORKSHIRE

10.25 am Welcome to the Calidh. 10.30 Documentary. 11.15 Look Who's Talking. 1.20 pm Lunchtime. 3.45 Look Familiar. 4.15 Tarzan. 5.10 Mr. Mogot. 5.20 Crossroads. 6.00 Day. 6.30 University Challenge. 7.00 Emmerdale Farm. 7.30 Rock With Laughter. 10.35 People. 11.05 Celebrity Connection.

## 6.30 Today, including 6.45 Prayer for the Day. 7.00, 8.00 Today's News. 7.30, 8.30 News headlines. 7.45 News. 8.00, 8.15 News. 8.25 News in Parliament. 9.00 News. 9.05 Checkpoint. 9.30 The Living World. 10.00 News. 10.25 Entertainment. 10.30 Daily Service. 10.45 Story Time. 11.00 News. 11.05 Analysis. 11.30 Smith and Pooter. 12.00 News. 12.05 pm You and Yours. 12.20 Quotations (S). 12.25 Shipping forecast. 1.00 The World at One. 1.40 The Archers. 1.55 Shipping forecast. 2.00 News. 2.05 Woman's Hour. 2.30 News. 2.35 Afternoon Theatre (S). 4.15 Any Number 7. 4.45 Story. 5.00 News. 5.05 Shipping forecast. 5.10 News. 5.15 Shipping forecast. 5.20 News. 5.25 News. 5.30 The Archers. 7.20 Time for Versus. 7.30 Franz List Chamber Orchestra concert, part 1 (S). 7.35 The World Tonight. 11.00 A Book at Bedtime. "The Sign of Four." 11.15 The Financial World Tonight. 11.30 Today in Parliament. 12.00 News.

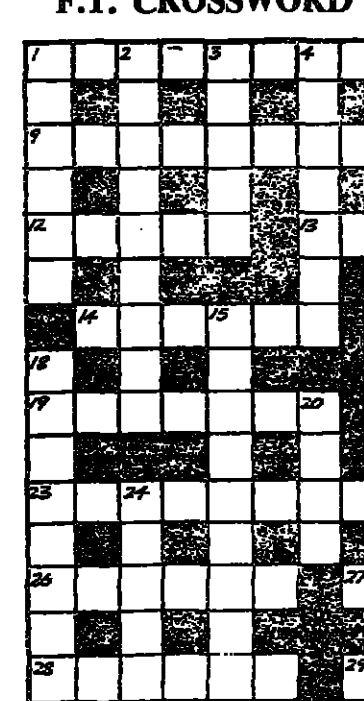
## TV Radio

Indicates programme in black and white

## BBC 1

6.40-7.35 am Open University (Ultra high frequency only). 12.25 Cricket: Third Test: England v West Indies. 1.30 pm Mister Men. 1.45 News. 2.45 Cricket: Third Test. 4.15 Regional News for England (except London). 4.15 Play School (as BBC2 11.00 am). 4.40 Exercise Me! 5.00 John Craven's Newsworld. 5.10 We Are the Champions. 5.40 News.

## F.T. CROSSWORD PUZZLE No. 4,318



## ACROSS

- 1 An easy thing to spread (3, 2, 3)
- 2 Learners reverse mistake (4, 2)
- 3 Remarkable river placed in West country (8)
- 4 Way to register walk (6)
- 5 Money made by sticky sucker (5)
- 6 Getting on without a bird for the table (2, 7)
- 7 Beady frame-up at counter for children (6)
- 8 Party journal the Conservative considered fundamental (7)
- 9 Listener on starting line set aside (7)
- 10 Hopeless at acting with you and me returning before long (8)
- 11 10 join team in the Lakes (9)
- 12 Movement for accountant to employ (5)
- 13 Junior minister takes care of senior minister around (8)
- 14 Approached Bill and worked out price (8)
- 15 Suitable position for bowler when taken off (6)
- 16 Card sure to be changed by propagandist (8)

## DOWN

- 1 Two sailors back to front on rock (6)
- 2 Two inns at entrance to City (6, 3)
- 3 It's a raid that's for sure (5)

## 5.55 Nationwide (London and South East only).

6.20 Nationwide.

6.45 The Wonderful World of Disney.

7.35 Are You Being Served?

8.05 Last of the Summer Wine.

8.30 News.

9.25 Square Mile of Murder.

10.15 Uncle Sam's Backyard.

10.45 All About Books with Russell Hart.

11.20 The Sky at Night.

11.40 Weather/Regional News.

All Regions as BBC1 except as follows:

BBC Cymru/Wales—5.55-6.20 pm Wales Today. 6.45 Heddjw.

7.10-7.25 The Harlem Globetrotters. 11.40 News and weather for Wales.

Scotland—5.55 am Noah and

Nelly. 10.00-10.15 Jackanory.

10.15 The Ah New Popeye Show.

10.35-10.55 Take Hart. 1.25-1.30 pm The Scottish News.

5.55-6.20 Reporting Scotland.

11.40 News and weather for Scotland.

Northern Ireland—1.13-4.15 pm Northern Ireland News. 5.55-6.20

6.20 Scene Around Six. 11.40

News and weather for Northern Ireland.

England—3.55-6.20 pm Look East (Norwich); Look North (Leeds, Newcastle); Look North (Manchester); Midlands Today (Birmingham); Points West (Bristol); South Today (Southampton); Spotlight South West (Plymouth).

BBC 2

6.40-7.55 am Open University.

11.00 Play School.

4.30 pm Cricket: Third Test—England v West Indies.

6.25 pm Open University.

7.00 Dallas.

8.00 Mid-Evening News including sub-titles.

8.50 One Hundred Great Paintings.

8.10 Running the Arts.

9.00 CAH My Bluff.

9.30 Inside Story.

10.20 Cricket: Third Test highlights.

10.45 Newswatch.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

## 11.00 Play School.

4.30 pm Cricket: Third Test—England v West Indies.

6.25 pm Open University.

7.00 Dallas.

8.00 Mid-Evening News including sub-titles.

8.50 One Hundred Great Paintings.

8.10 Running the Arts.

9.00 CAH My Bluff.

9.30 Inside Story.

10.20 Cricket: Third Test highlights.

10.45 Newswatch.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

## 11.00 Play School.

4.30 pm Cricket: Third Test—England v West Indies.

6.25 pm Open University.

7.00 Dallas.

8.00 Mid-Evening News including sub-titles.

8.50 One Hundred Great Paintings.

8.10 Running the Arts.

9.00 CAH My Bluff.

9.30 Inside Story.

10.20 Cricket: Third Test highlights.

10.45 Newswatch.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.

10.45 Newsnight.</



## THE ARTS

New York

## New York City Ballet

by DAVID VAUGHAN

The New York City Ballet season that has just closed saw the addition of no fewer than four ballets by George Balanchine to the regular repertoire, a remarkable fact in itself when it is considered that a little over a year ago he was out of commission following a serious illness. Of the four ballets, two had been previously given elsewhere: *Walpurgisnacht Ballet* at the Paris Opera in the 1975 production of *Concord's Faust*, and *Le Bourgeois gentilhomme* in the 1979 spring season of the New York City Opera. The other two were brand new: *Ballade* (Gabriel Fauré) and *Davidson's Lullaby* (Robert Schumann). *Ballade* was done on the cheap, with hand-me-down décor and costumes from *Tricolore*, last year's disastrous French companion-piece to *Stars and Stripes* and *Union Jack*. *Davidson's Lullaby*, on the other hand, is an expensive-looking production with elaborate scenery and costumes by Rouben Ter-Arutunian (who also designed *Tricolore* and *Bourgeois*). As often happens at New York City Ballet, the quality of the choreography is in inverse proportion to the expenditure on scenic trappings.

To Schumann's intimate piano pieces, Balanchine has choreographed a series of dances, mostly duets, for four couples (Suzanne Farrell and Jacques d'Amboise, Kay Mazzo and Ib Andersen, Heather Watts and Peter Martins, Karin von Aroldingen and Adam Lüdgers), but it soon becomes apparent that he wanted to do more than make another ballet about romantic love — the piece also seems to refer, however obliquely, to the two sides of Schumann's personality, the impetuous extrovert (Florestan) and the gentle introvert (Eusebius). All the women at times hide their heads in shame, perhaps a typically 19th-century reaction to the physical side of their relationships with their partners? One couple, von Aroldingen and Lüdgers, seem to have even worse problems — he rushes about the stage every which way as though looking for an avenue of escape, and at the end of the ballet, in fact, leaves her standing alone. Moreover, in a solo he is menaced by five macabre, black-clad figures who appear in the wings, carrying large quills and books and wearing tall top hats, presumably to symbolise Schumann's actual madness.

Ter-Arutunian has designed a setting whose backcloth is reminiscent of the visionary landscapes of Caspar David Friedrich, with a spectral cathedral floating like a mirage above a seashore. The suggested analogy between painter and composer is dubious; moreover, the Midas-like touch of this designer turns everything he touches into kitsch. The backcloth is framed by wings of white fabric floating from rows of gothic arches and divided by

skeletal branches of trees. It is enough to make one catch one's breath in horror when the curtain rises. Conceptually, this ballet must be called a failure. *Ballade* is both more modest and more successful, a kind of companion-piece to *Ballo della Regina*. Both ballets were made to enshrine the attributes of the brilliant ballerina Merrill Ashley, and in the case of *Ballade* to acknowledge and extend the new lyricism she has shown in her recent performances of *Tchaikovsky's Piano Concerto No. 2* (also *Ballet Imperial*) and Balanchine's near-abstract redaction of *Swan Lake*.

*Walpurgisnacht* similarly celebrates a ballerina, Suzanne Farrell, for whom the original choreography has apparently been revamped to display her virtuosity in all its facets — not only does she dance the expected *adagio*, partnered by Lüdgers, and an *allegretto* solo, she is also given the music that ordinarily would accompany a male variation, with *cabriolets* battues and other *grand allegro* steps. This ballet is also dressed in dowdy, fast-cost costumes, from various sources.

*Le Bourgeois gentilhomme* was originally made for Rudolf Nureyev. Then, the choreography was credited to Balanchine and Jerome Robbins: now, it is attributed to Balanchine alone, but it looks as careless and slipshod as it did at the City Opera, and it's still desperately unfunny — the treatment of the title character, Monsieur Jourdain, is merely cruel. Martins, in the role of Cléonte, is hardly bothered to work out characterisation, and Farrell as Lucille, acts cute.

One doesn't, of course, go to NYCB to see beautiful costumes and scenery, but for the choreography and the dancing. In spite of a high rate of illness and injury this season, there has been a lot of wonderful dancing. A young soloist from the Royal Danish Ballet, joined the company and looked immediately at home in almost everything — he danced in both the new ballets, *Ballade* having been intended for Sean Lavery, one of the injured. Mikhail Baryshnikov, for whom no new ballet was choreographed by Balanchine during his brief sojourn in the company, danced a couple of performances of *The Steadfast Tin Soldier*, stepping in at short notice and without publicity for Helgi Tomasson, to partner Judith Fugate, deliciously doll-like. It was good to see Balanchine's half of *Episodes* (originally a collaboration with Martha Graham) back in the repertoire, with Allegra Kent dancing the "Concerto" section with all her accustomed mystery and intensity. And *Apollo* was finally given a worthy cast in Martins, Farrell, von Aroldingen, and Kyra Nichols, though the ballet is still ignominiously shorn of its prologue.



Merrill Ashley and Ib Andersen

Round House

## The Strongest Man in the World

I feel about Barry Collins's ambitious play much as I did when it was first seen at the Nottingham Playhouse in October 1978: I warm instinctively to what it has to say about the Soviet Union — indeed, who in this country could not? — but I fail to respond to it as drama. The dilemma is almost a classic one. For some people, the tale of the callous victimisation of a sporting hero at the Moscow Olympics who dares challenge the authorities' demands on his manufactured status in the Hall of Heroes, is sufficient reason for unqualified applause. But the story is slow to unfold, does not burn with much dramatic heat and often misfires badly at its moments of emphasis.

However, Nikolas Simmonds's production is an improvement on Nottingham in extracting the humour of the writing and its indomitable Yorkshire verve.

Shukhov is a miner who performs valiantly in a pit disaster and is snapped up as the State's prime candidate in the maximum-weightlifting event. When a rival American is reported to be lifting tons before breakfast (the danger of that challenge would not now, of course, apply) Shukhov is pumped full of steroids and driven on to triumph. His family back home watch him win the gold on a television installed by the State in grateful exchange for propaganda fodder.

The personal cost to Shukhov of all this is driven home in the play's second act. His hormone balance has become disturbed and he can no longer make love to his wife, even in the President's wedding gift of a four-poster bed. He destroys his own image in the Hall of Heroes, is sent for "trial," and incarcerated in an asylum while his mother is confined to her

village and his wife banished to Siberia.

In prison, other dissidents tattoo his body with revolutionary slogans and a butterfly. There is a pleasing shift to a lyrical plane in the final scene where a female doctor awakens his dormant spirit and sex drive and, as we hear a sentence of solitary confinement until death passed up above, Shukhov begins, joyously, to chisel away at the rock-solid floor with a knife and fork. The butterfly may dance for a while, but will in the end be crushed.

Michael Attwell is more middle-aged than heavyweight, but he turns in a perfectly competent performance in the midst of British Army-style trainers, supercilious bureaucrats and twitching fellow-prisoners. I left the theatre impressed by the sentiments but unmoved by their expression.

MICHAEL COVENEY



Michael Attwell

Midland Arts Centre, Birmingham

## Orlando Paladino

The new exposure of Haydn's operas proceeds apace, but with a disadvantage. Whereas a work by Cavalli or Rameau, to name two of the chief objects of operatic revival, provokes no familiar comparison, Haydn's operatic idiom seems often to be "Mozart minus." In the main this is a matter of purely musical style, but in Haydn's *Orlando Paladino* (1782) there is an additional reminder. When the noble Orlando pushes forward his unwilling servant to address the dread figure of the sorceress Alcina, the effect is just that which Mozart was to contrive better with Don Giovanni, Leporello, and the statue of the murdered Commendatore.

Musically, as Antal Dorati's recordings have shown, the work is to be treasured as an example of right and stylish Haydn. As well as slow arias of sentiment and fast arias of humour or bravado, there are more subtly emotional passages of accompanied recitative. But on stage, this "drama ero-comico" stumbles, its heroic and comic elements going ill together — especially the juxtaposition of the supernatural and the human.

The traditional figure of the knight of chivalry driven by love into raging insanity (*Orlando furioso*) is almost stripped of psychological interest or dramatic motivation. The love-intrigue is lightly done, the prevailing tone is not serious, and a modern audience can find little necessity for the spells of Alcina or the appearance of Charon at the gateway to the Underworld. Even such a resourceful producer as John Cox of Glyndebourne, who triumphed with Haydn's *La fedeltà premiata* by making its artificialities more artificial still, might pause before the task of staging *Orlando Paladino*. The team of young professionals who call themselves (in an annual production) the Cannon Hill Music Theatre were bold indeed to offer what was claimed to be the first staging of the work since the composer's day.

There were some promising voices here, and some more than promising. Best of all, in the tenor role of Medoro (who has displaced Orlando in the affections of Angelica), was the ardent, graceful singing of Peter McCrystal, though he came unnecessarily to grief on an interpolated top C Orlando himself (another tenor role)

was given a properly musical pathos by Philip Creasey, Rodomonte's part found a sturdy baritone in Ralph Meanley, and both sopranos (Catherine James as Angelica, Susan Bisatt as a shepherdess) are likely to be noticed again. Paul Herbert was musical director and harpsichordist, dangerously placed with his back to the singers and with an orchestra stationed on one side of the stage: despite one or two embarrassing moments, this was an artistically sensitive performance.

But the dramatic difficulties defeated John Ginnman, the young producer. (He also supplied the translation — quite singable, but by its absence of rhyme inescapably wrong for the period.) A tiny stage, minimal scenic resources can-

not be pleaded as a sufficient excuse: to attempt a professional theatrical assignment must imply an undertaking to make it work. To have the vain-glorious knight Rodomonte as a knowingly comic instead of a swaggerer, to give Alcina no appropriate gestures, indeed to miss almost every opportunity for expression by gesture and movement — these were signs perhaps of a lack of experience, perhaps of an insufficient conceptual imagination. Costumes by Andy Greenfield, in which Medoro was like a young man-about-town from Haydn's Vienna and the armed knights came apparently from Monty Python's world of the Holy Grail, were also not an aid to artistic credibility.

ARTHUR JACOBS

In 1856,  
Stanley Gibbons  
would have sold you  
this mint  
Penny Black  
for 6d.

In 1890: 1s. 6d.  
1909: £1.5s  
1930: £5  
1950: £25  
1970: £80  
1974: £160  
Today: £2,500

The value of our advice,  
meantime, has remained  
consistently high.

In 124 years in the philatelic business, our advice has been sought, and given, more and more. That advice has been consistent. It has always been based on expert, cautious selection of the very finest classic material. Taking such care has proved right — as thousands have discovered. And being right is how we mean to go on.

Find out more by sending for your free booklet, 'Fine Stamps for Investment'.

To: The Rare Stamp Director  
**Stanley Gibbons Ltd.**  
391 Strand, London WC2R 0LX.

Please send me 'Fine Stamps for Investment'

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Chichester Festival Theatre

## Much Ado about Nothing

by B. A. YOUNG

You could call this company a well-matched set. Here are a gentlemanly Benedict, a lady-like Beatrice, an aristocratic Don Pedro, an evil Don John, a boyish Claudio, a maidenly Hero. Under Peter Dew's direction they play a romantic *Much Ado* that looks enchanting on the set by Finlay James, with its double-decked pavilion of arches upstage. One important factor is missing, however — the jokes.

Like Desdemona, these players seem sometimes to understand the words, but not the meaning of the words. To take a salient example, why does Benedict complain of a toothache in Act 3? Why, so that he can hold a handkerchief to his face to conceal the fact that he has shaved off his beard. But on comes Gerald Harper approaching the company barefaced; the company notice nothing, and his references to toothache mean nothing. Already he has told us "The world must be peopled" as if he were a sociologist. The play bristles with jokes — even Don John has one ("Would the cook were o'my mind") but they are

too often glossed over as if they weren't there. The timing is the fault — the subtlest adjustment, the faintest hint, to the audience that this line to be funny, and the play becomes a comedy as well as a romance.

As a romance it is very pretty. Benedict without wit becomes a rather uninteresting hero, but Mr. Harper is handsome and graceful. Gemma Jones's Beatrice is lovely to look at and she came nearer to making me laugh than most of them, except Dogberry and Verges, partly because she made me think of another Beatrice, Beatrice Lillie. Don John, Martin Sadler, in a dark green outfit, is more truly sinister than the lovers are amorous — a good performance this.

Indeed, the smaller parts contributed most of my pleasures. Bill Pearson is a fine humane Friar, Paul Hargreaves gets a bundle of humour from the Sexton with hardly a word. Peter Sallis as Verges is actually funnier than Michael Graham Cox as Dogberry, though he is funny too, in his policemanly

way. I was delighted by young Benedict Rogerson as the Boy whom Benedict sends for the interval, skipping over a fence and worrying because he hadn't actually brought the book he went for — Shakespeare's mistake, however, not his.

There's a pleasing artificiality about the festive scenes; all the ladies at the ball in Act 2 wear identical dresses so when they are masked they are truly impossible to tell apart. When the men join them, they are also similarly dressed, but nature and an occasional earring identify the individuals more easily. The ladies wear the same costumes again, with hats like inverted shuttlecocks. For Hero's second wedding, and its subsequent dance, music has been contributed by John Birch from the neighbouring cathedral; Charles Rogers sings a charming "Sigh no more" in an unusual rhythm and a "Pardon, goddess" that belongs clearly in the Anglican tradition. Everything is nice to look at, nice to hear; if only the comedy could manage to come to the surface!

## Paris Theatre by NICHOLAS POWELL

After a programme of four *Molières* last autumn, spoilt by slapstick and overacting, Antoine Vitez has turned his hand to Racine's *Berénice* at the Theatre d'Ivry. The production is a contradictory mixture of classical purity — in the 17th-century costumes and set — and quite unclassical falling about.

The cabinet between the apartment of Titus and that of Berénice where it all happens, is a delicately coloured paneled interior with, to either side, a backdrop of a classical countryside. That, with the sumptuous costumes would seem, at first sight, to put Berénice head and shoulders above the visually drab *Comédie Française* production.

But what jars is Vitez's provocative remodelling of the drama. Whereas the *Comédie Française* production achieves some of its greatest effects through silence and soft-spoken sentences, Vitez's version translates the agonising tension of Racine's text by full-scale histrionics. Titus, not much of an emperor one feels — is a Hamlet-like figure who trails round stage dangling a rose from a limp hand. Berénice is a sturdy, shouting sovereign, given to mithering him. Antoine Vitez, as Antiochus, abandons choked pain for a wildly externalised interpretation of the love sick king. For this he relies on two basic gestures which most directors would shy away from — raised arms, imploring heaven, and head clutching.

His use of space and movement is wasteful and destructive of pace: characters move silently round stage, whirling, up-spiralling nervous tension, at the beginning of each scene. The fundamental blunder, however, is to have neglected the conflicts between affection and duty. Vitez prefers to see the affection itself as the affliction a sort of hysterical illness.

No one, subsequently, seems to be in love with anybody else, just, over obsessed with their own states of mind. Vitez as Antiochus has the last word of the play — "Helas." He shouts it very loud, and very long. Incredibly, there were one or two "bravos" in the house.

There is tragedy of a realer kind in Czech director Otomar Krejča's production of Chekhov's *Seagull* which has just entered the repertoire of the *Comédie Française* and which is being hailed as a masterpiece of essential purity — a work often performed in France.

The cast puts in such a highly competent and moving performance that critical remarks seem like nit-picking. Constantin (Francis Huster) is both sympathetic and disquieting, his inner disturbance expressed by jittery gesture and increasingly nervous delivery building up to the dreadful climax of act IV. Irina, the destructive and self-infatuated mother, (Catherine Samie) needed more punch and presence to make Constantin more obviously a victim.

Alain Faron gives a stunning interpretation of human mediocrity as Medvedenko and Macha (Fanny Debrics) is deep and very fragile. Ludmila Mikael expresses the naïve, vaulting ambition of the seagull Nina without in act IV conveying intensely enough the wreck her life has turned into. Consequently she leaves Buster with most of the hard work to do.

On a more irrelevant note, Louis Thierry has put on a song and dance show, almost as good as his previous reviews, called *La Star* at the Theatre Fontaine. Thierry, whose comic speciality is debagging the illustrious (two former victims are Greta Garbo and Joan of Arc) and weaving in topical references and music hall songs, has set about the world of show business.

The recipe works less well because the target is less precise and less revered. The star

is Magali Noel, a 1950s cinema starlet who not only accepted to sing and dance in a parody of her own career but thought of the idea in the first place. Noel's camped up career, with a cast of six, is traced from full old provincial beginnings full of hysterical promise to the compromises of the show business world which sully her art.

From straightforward song and dance she turns to cinema, sits gaudy and mindless at Press conferences ("are you faithful to your husband?" "often") and does recipes on TV before starring in a cultural operetta about Lucretia Borgia. The routines are zappy, the dialogues of unequal funniness and most of the references topically Parisian. Magali Noel shows she knows how to do it all, but *La Star* lacks the vicious irreverent bite of Thierry's previous shows.

There is more satire from the now almost establishment Grand Magie Circus (they are asking for a Government subsidy) touring through Paris with their latest show *Les Melodies du Malheur*, before taking it on international tour. The circus, who used to be chic and witty left, got heavy-handed in their political comment with 1001 Nights two years ago. *Melodies du Malheur* has abandoned all attempt at political comment, and, worse, veered into morbidity. The show is composed of four sketches, featuring a pair of Siamese twins, a paralysed acrobat, an executive destroyed by unemployment and an unwilling striptease artist. The members of the circus do all their stunts brilliantly (including jazz on bagpipes) but the show lacks coherence, not to mention taste.

Schiller-Theater, Berlin

## The Play of the Resurrection by RONALD HOLLOWAY

On the occasion of the 86th German Catholic Conference, this time in West Berlin, the Schiller-Theater presented a religious drama for the participants and its own theatre-goers. As the programme read, *The Play of the Resurrection* by Ika Boll is "based on an idea by Kazimierz Dejmek with reference to the medieval mystery and Easter plays."

If that sounds familiar to the theatre-festival follower, refer back to your records of the Theatre of the Nations festival of 1961 in Paris. There may be other references to guest performances across Europe of Kazimierz Dejmek's production of *The Story of the Glorious Resurrection of Our Lord* by Mikolaj Z. Wilkowiecki (written

1765) at the National Theatre in Warsaw in the 1961-62 season. As I recall a visit to Warsaw in the early sixties, the ensemble was already used to carrying its set around on its back to wherever an invitation was extended.

The Dejmek production was based on Jesuit Baroque Theatre as it had developed in Poland for over two centuries, the roots going back to the medieval mystery plays performed in the market places of Europe. There was raucous but reverent fun in Dejmek's vision: a peasant Christ, a boy's choir croaking Latin hymns in "old Polish," a resurrection that sprang from a stage contraption, a shepherd's staff that could be reversed to poke the devil in the rear, and

a magnificent ensemble that impressively fell in and out of the roles they were playing.

The Ika Boll transplant of a Catholic tradition to Protestant Berlin had its effect for nostalgia's sake, but unfortunately there was little else to recommend it. Why the questionable reference to Dejmek instead of Wilkowiecki and the change in title is unexplained in the programme. More offensive to the spirit of the play, however, was the pretty-faced Christus, the scrubbed-chorus with the practised hymns, the uninspired resurrection scene, and the Staatstheater thespians standing around listlessly as though waiting for a cue in a Life of Christ movie production.

In short, a sober and edifying performance for a modern-day Conference of Christians.

*Das Spiel von der Auferstehung* was all the more disappointing because something seems to be in the wind these days with regard to religious drama. Hundreds of young people filled the streets and jammed the Olympic Stadium for the occasion. If our present, activated Pope had paid a visit to the conference, would he have recognised the glorious resurrection at the Schiller-Theater as an expression of both piety and politics, as Dejmek intended? Probably not.

Back in 1935, T. S. Eliot's historical verse play, *Murder in the Cathedral*, was performed

in the Canterbury Cathedral chapter-house during the Canterbury Festival. In the same year, the Catholic dramatist Paul Claudel collaborated with composer Arthur Honegger on the opera-oratorio, *Jeanne d'Arc au bûcher*. The Honegger-Claudel *Johanna auf dem Scheiterhaufen* is scheduled for mid-July at the Berlin Summer Festival in the open-air courtyard of the Maria Regina Martyrum Church under the direction of Heinz-Lukas-Kindermann and conductor Caspar Richter. Last summer, Beethoven's *Fidelio* was similarly performed at Charlottenburg Castle. Both are part of a series in the summer festival addressing mankind's peril and hope.

NOW OPEN  
THE CITY'S OWN  
CLASSICAL  
RECORD CENTRE  
29 King William Street  
London EC4  
01-263 4411/2  
IMPORTS, SALE BARGAINS  
EXPERT ADVICE  
Monday to Friday  
8.30 a.m. to 5.30 p.m.



## FINANCIAL TIMES

BRACKEN HOUSE, CANNON STREET, LONDON EC4A 3DF

Telegrams: Finastime, London PS4. Telex: 3954871, 333897

Telephone: 01-248 8000

Thursday July 10 1980

## A grip on the purse strings

WHEN THE Cabinet meets today for its second major discussion of the Government's economic strategy, one simple fact is likely to dominate the proceedings. While the economic indicators generally, the inflationary expectations in particular, are now beginning to move towards the paths charted by the Government, public sector borrowing could well overshoot the forecast made in the March Budget. The question which will divide Ministers is whether they can feel satisfaction with the progress of their policies, while public borrowing and spending are veering off target.

Yesterday's central government borrowing requirement figures provided a clear indication of the widening gap between government spending and revenues. To put the matter at its most alarming, 48 per cent of the CGBR projected for 1980-81 had already been used up in the first quarter. Public borrowing normally rises rapidly during the first few months of the financial year and slackens off in the last quarter, but such a rapid build-up is unprecedented. Like most of the short-term financial indicators, this one is heavily distorted by tax changes, industrial disputes and other irregular factors, so the true state of Government finances is probably a good deal sounder than might appear at first glance. Nevertheless, looking at the spending and revenue items separately, a disquieting, if not alarming, picture emerges.

**Warnings**

Total consolidated fund expenditure, which was planned to rise by 20 per cent during the year as a whole, is 27 per cent up, relative to last year's April-June quarter. Meanwhile, revenues have increased by only 17 per cent, compared with the 20 per cent year-on-year increase projected in the Budget. While too much should not be read into a single set of figures, the Government can no longer afford to ignore the warnings emanating from economic forecasters of all persuasions, ranging from the London Business School's monetarists, to the new-Cambridge protectionists, that its borrowing plans have not taken sufficient account of the effects of recession on both revenue and spending.

Thus, as they consider the outlook for public borrowing at their Cabinet meeting today, Ministers should attempt to distinguish between those overruns which are the inevitable effects of recession and those which are due mainly to laxity in control and planning. It would be

damaging, both to the real economy and to the chances of maintaining the Government's medium-term policies if, in an excess of zeal, Ministers decided that public spending and borrowing had to be reduced at all costs despite the fact that the recession looks like being considerably deeper than the Chancellor had expected. The aim of Government policy must be to reduce the trend of public spending and borrowing. It must not be to counteract the automatic stabilisers which are just as valuable a part of the market economy as, say, the forces of competition.

This does not mean that the Government can afford to take a complacent attitude to all forms of overspending. While two of the biggest programmes—social security and nationalised industry financing—are extremely vulnerable to cyclical factors, these are not the areas that are currently causing greatest concern to Ministers. Defence and the local authorities, which spend the great bulk of their money on housing and education, appear to be the biggest overspenders at present.

The problems of controlling local authority spending, which is left for good constitutional reasons, in the hands of local politicians, are daunting, but not insurmountable. The moratorium on capital spending, which has been mentioned as a threat, would be a needlessly destructive way of tackling the problem. It would do nothing to attack current spending, which is where the vested interests of councillors and the municipal workers' unions lie. A better solution would be a reduction in the topping up of the Rate Support Grant which the government provides to local authorities in November. But even this rather draconian measure, which would punish extravagance and frugality alike, may not be necessary. The authorities have been asked to revise their budgets by August and there is still a chance that most will adopt a responsible attitude.

**Control**

It is this new, responsible attitude to spending, whether in local government, in defence or in the fastest growing programme of all—interest in the financial markets and the government's supporters are now seeking. The control of spending in the longer term, rather than the achievement of any particular set of figures in a given year irrespective of cyclical factors, should be the government's objective.

reconciliation, has made little secret of his disillusion with an election which gave him only 20 of the 80 black Parliamentary seats. The veteran nationalist leader was profoundly disappointed that the vote for those seats came only from his own minority Matabele tribal area, and he has encouraged his followers to believe that they can one day win another election in Zimbabwe outright.

**Armed forces**

But looming over all this is the critical issue of the armed forces. The political divisions between the parties have so far allowed only the most sketchy integration of the two rival guerrilla armies with the former Rhodesian forces. Zimbabweans of all complexions, are afraid that the sort of minor faction fighting which broke out in Salisbury yesterday could spread in a major way to the camps where at least 32,000 guerrillas, loyal to either Nkomo or Mugabe, are still armed, idle and restive.

This fear, which in itself could lead to a sort of civil war, is probably more real than that Mr. Nkomo might, for example with Russian help, attempt a coup against Mr. Mugabe's government. There is no real parallel elsewhere in Africa for what might happen in Zimbabwe. But in general black African governments, especially when they represent the tribal majority as Mr. Mugabe does, tend by one means or another to ensure their supremacy over their minority rivals.

Zimbabwe came to independence with high hopes, albeit with enormous problems. These are mainly economic, and almost entirely to do with raising the living standards of all Zimbabweans, not least those ordinary black citizens who suffered most the deprivations of the seven-year guerrilla war. It would be a tragedy if the country's black leaders allowed their differences to undermine Zimbabwe's chances so soon after independence.

## Iran's Islamic revolution runs into the sands

BY ANDREW WHITLEY

THE IRANIAN revolution is in deep, possibly terminal, trouble. How it survives the next nine months will determine whether the Khomeini theocracy is here to stay, or whether it gives way to a likely succession of weak governments in which the Left would play an increasingly important part.

Seventeen months after the old imperial army declared its neutrality in the fratricide between monarchists and republicans—paving the way for Ayatollah Khomeini's actual assumption of power—the Islamic order has not established permanent roots and its adherents sense they are on the defensive.

For the West this uncertainty represents the worst of all possible worlds: compelled despite themselves to pray for the 80-year-old iconoclast's continued health, the State Department and Whitehall must know well by now that, alive, Khomeini will devote his strength to eradicating western influence. In turn, his campaign is generating a strong adverse reaction within Iran which could precipitate his own downfall.

The Islamic Republic's problems are largely of its own making, stemming from the fervent desire, common to all successful revolutions, to establish itself as fast as possible. More particularly in Iran's case they arise because the Ayatollah knows nothing about, and cares little for, economics or administration.

President Abolhasan Bani-Sadr and his coterie of young American and French educated advisers know the revolution is in trouble. They say so privately. In public, however, the

President highlights the manifold problems affecting the economy in an attempt to brake the headlong rush of the fundamentalists supporting Khomeini, who believe the revolution has to keep running to stand still.

But few dare to stand up to the old man and no-one with any interest in taking part in the running of the country dares to oppose him publicly. To do so, as did Mr. Hassan Nazhi, the first head of the state oil company after the revolution and a doughty fighter against the Shah's regime, is to invite being thrown to the wolves, in the shape of the "Party of God" hoodlums.

Nevertheless, the manifestations of the malaise are there for all to see. There is the open hostility in the capital's streets against the turbaned and brown-cloaked mullahs a much more common sight than ever before: the occasional, half-glimpsed gatherings in public places of men who shout "Long live the Shah!" then disappear; the fresh crop of anti-Khomeini wall slogans; the return to the habits of pre-revolution days of tuning in every evening to foreign radio stations, both clandestine and above-board.

It is easy to dismiss these warning signs as Ayatollah Beheshti, the leader of the fundamentalists does, as insignificant, reflecting only the discontent of a class which lost power and cannot adjust to the new circumstances, or to put them down to the work of professional agitators. But the fact is that in Tehran and in many important provincial cities Iranians of all classes are, for different reasons, near the end of their tether. "How

much longer can this go on?" and "Why are they pushing us so hard?" are the sort of rhetorical questions which elicit a despairing shrug.

The objects of the abuse are usually the paramilitary Revolutionary Guards, a motley force of young bearded men in camouflage jackets whose fanaticism bears comparison with both Mao's Red Guards and the Ca'minists. Nearly everywhere it is they rather than the regular police who are in charge of security and law enforcement, Islamic-style.

They work hand-in-glove with the Islamic Republican Party, the main pro-Khomeini party, and the Islamic councils on the one hand and with the local governors, usually men of a similar breed, on the other in carrying through every change of gear in the revolution.

The latest gear change ordered by Khomeini two months ago and repeated recently in a sharply worded message to President Bani-Sadr is for a thoroughgoing cultural revolution in education, administration and modes of behaviour. The campaign is now in full swing, in spite of feeble protests from women's groups.

Its sharp edge is the purging of thousands of government employees from Iran's bloated bureaucracy and from schools and universities, on grounds of "co-operating with SAVAK," the Shah's secret police, or simply being antipathetic to the revolution's Islamic ideals. They join an estimated 2.5m to 3.5m others unemployed and with little prospect of work.

Who, ultimately, controls the Guards (a question journalists and diplomats in Tehran are fond of asking each other) no one knows. The answer probably is that no one person does, though different senior members of the Revolutionary Council and of the Bani-Sadr Government can probably lay claim to a certain amount of allegiance.

Among the power figures are Dr. Beheshti, Ayatollah Mahdavi-Kani, in charge of that other revolutionary institution, the committees, and Mr. Mehdi Chamran, who runs the secret police and is the brother of the Defence Minister.

The divisions in the administration as a whole, between pragmatists such as the President and Mr. Mahdi Bazarzan, the former Prime Minister who resigned when the contradictions proved too much to bear any longer, and hardliners, for want of a better word, such as Ayatollah Rafsanjani, are reflected within the Revolutionary Council. Mr. Hassan Habibi, who is likely to be nominated shortly as Prime Minister, is usually regarded as the "swing-vote" in a 13-man Council split evenly on most issues.

In practice, the hardliners have usually managed to outvote or outmanoeuvre Mr. Bani-Sadr, who is the Council's chairman. At one stage, in May the former Paris student of economics was said to be in such despair that he contemplated resigning—a step which would have gratified Ayatollah Beheshti immensely, as it he



Armed mullahs march past the house of Ayatollah Khomeini in the holy city of Qom

in his capacity as President of the Supreme Court who would automatically step up until a new election could be held.

The President held on despite his setbacks in failing to establish a provisional government before Parliament met (a blatant tactical move which fooled no one) or to gain control over the two most effective arms of power: broadcasting and the Revolutionary Guards. In keeping going he was fortified by the support of Ayatollah Khomeini's son, Ahmad, and his son-in-law, Hojatulislam Shehab Esfahani.

**For the average Iranian the hostages issue has disappeared to be replaced by a preoccupation with rising prices and pay cuts.**

The hard fact Mr. Bani-Sadr faces is that he has no constituency and no means of enforcing his authority, other than moral exhortation. His decisive election victory in January resulted from a relatively free campaign in which he was the best known and least muddled figure. But since then he has become just as bogged down in revolutionary infighting as had Mr. Bazarzan.

Apart from sudden sharp lurches such as the country's cultural revolution, Iran has drifted directionless because of Ayatollah Khomeini's refusal to take sides.

The revolutionary leader's health has given cause for concern in recent months following his stay in hospital six months ago for a heart complaint. He is known, for example, to have

a painful prostrate condition which cannot be treated; but recent speeches suggest he is getting stronger again.

If he were to die suddenly the consequences are almost incalculable. This would especially be so if it were to come before the new government structure was operating, and the revolutionary institutions dismantled. One possibility is an attempt by some unit in the armed forces to seize power, taking advantage of the confusion.

In theory a Prime Minister and full Cabinet should be

other top-ranking Shi'a clergy—the six remaining "Grand Ayatollahs".

But eventually it is Iran's growing economic difficulties, and the real hardship being felt by an increasing number of people, which could prove the catalyst for another violent lurch in the revolution—a lurch which could bring down the mullahs. The causes are the non-stop power struggle, which has blocked any decision taking on the economy beyond meeting immediate needs, and the West's economic sanctions in support of the release of the

hostages. The key to the success of sanctions is the refusal of the major western and Japanese oil companies to buy Iranian crude oil, ostensibly on price grounds. Other customers are able to take up only some of the slack, leaving a revenue gap which diplomats feel could bankrupt the country on its present rates of spending sometime this winter.

For the ordinary Iranian the hostages issue has disappeared almost to vanishing point, to be replaced by a preoccupation with rising prices and pay cuts—should he be fortunate enough to have work. The word "work" is a misnomer as hardly anyone has anything to do whether in Government, industry or business. Instead, everyone is waiting on who will emerge at the top in Tehran.

In the past Iranians had a reputation for putting up silently with all the indignities of the Shah's regime. The force of the revolution, swelling out of a grass roots movement, put paid to that. Few are now afraid to speak, or act.

## Danger signals in Zimbabwe

THE WAR of words between the two parties in the Zimbabwe Government, which has been a feature of the last few weeks, escalated into physical violence yesterday as supporters of Mr. Robert Mugabe, the Prime Minister, and of Mr. Joshua Nkomo, his Home Affairs Minister, clashed in the streets of Salisbury. The incident itself—two people were injured after which the crowd dispersed—was relatively minor. But the growing tensions between Mr. Mugabe's Zanu (PF) and Mr. Nkomo's Patriotic Front bodes ill for the future stability of the three-month-old Zimbabwe Government.

The coalition between Mr. Mugabe and Mr. Nkomo is an unequal one, while the tensions between the parties led by the two men have their origin in a long history of often bloody rivalry which at base is as much tribal as anything. Mr. Mugabe's overwhelming election victory last March would have allowed him to form a government entirely from his own Zanu (PF) party; instead, in the interests of national reconciliation, he offered four out of his 23 Cabinet posts to Mr. Nkomo's Patriotic Front, his uneasy partner in the guerrilla war and in the Lancaster House negotiations.

**'Out of turn'**

But opposition to the coalition from within Mr. Mugabe's party, always strong, has now grown to such an extent that Mr. Enos Nkala, Mr. Mugabe's this week that his party's task Finance Minister, could declare was to "crush" Joshua Nkomo and forget him." Mr. Nkala has a reputation as a fiery old-style nationalist and may well have been speaking out of turn, though whatever the status of his remarks—and they have not yet been repudiated by Mr. Mugabe—they point to undoubtedly widespread dissatisfaction on both sides with the coalition.

Mr. Nkomo himself, while publicly declaring that his aim, like Mr. Mugabe's, is national

reconciliation, has made little secret of his disillusion with an election which gave him only 20 of the 80 black Parliamentary seats. The veteran nationalist leader was profoundly disappointed that the vote for those seats came only from his own minority Matabele tribal area, and he has encouraged his followers to believe that they can one day win another election in Zimbabwe outright.

**Armed forces**

But looming over all this is the critical issue of the armed forces. The political divisions between the parties have so far allowed only the most sketchy integration of the two rival guerrilla armies with the former Rhodesian forces. Zimbabweans of all complexions, are afraid that the sort of minor faction fighting which broke out in Salisbury yesterday could spread in a major way to the camps where at least 32,000 guerrillas, loyal to either Nkomo or Mugabe, are still armed, idle and restive.

This fear, which in itself could lead to a sort of civil war, is probably more real than that Mr. Nkomo might, for example with Russian help, attempt a coup against Mr. Mugabe's government. There is no real parallel elsewhere in Africa for what might happen in Zimbabwe. But in general black African governments, especially when they represent the tribal majority as Mr. Mugabe does, tend by one means or another to ensure their supremacy over their minority rivals.

Zimbabwe came to independence with high hopes, albeit with enormous problems. These are mainly economic, and almost entirely to do with raising the living standards of all Zimbabweans, not least those ordinary black citizens who suffered most the deprivations of the seven-year guerrilla war. It would be a tragedy if the country's black leaders allowed their differences to undermine Zimbabwe's chances so soon after independence.

## MEN AND MATTERS

## Leaving the family firm

"You win some and you lose some," mused Gil Cooke, managing director of C. T. Bowring, now part of the giant Marsh and MacLennan U.S. insurance broking group, on the departure of two more key employees. In truth, however, Cooke appears of late to be losing rather more than he is winning.

Yesterday Clive Bowring and Peter Stoddart, both descendants of the founding father of the group, added their names to the engineering list of escapees. Stoddart, 46, and Bowring, 43, are the great, great-grandsons of Benjamin Bowring who opened a watchmaker's and jeweller's shop in Exeter back in 1803. Benjamin's son, C. T. Bowring, is the man from whom today's group takes its name.

The first of the family to pack their traps since the Marsh and MacLennan takeover, they are departing for the more intimate atmosphere of Robert Fleming, where they will act as consultants for the establishment of an insurance broking subsidiary.

"I've been with the firm 25 years, so I've been through absolute agonies," Stoddart told me yesterday. "But London insurance broking firms are becoming to large and impersonal," adding pointedly: "The Americans are aware of my views."

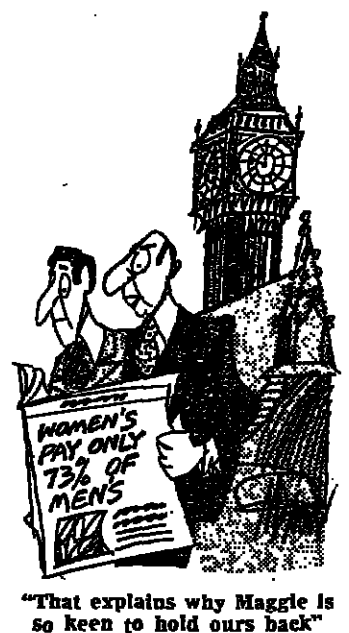
## African Thatcher

Frozen out by Government ministers and officials, Angola's would-be president, Dr. Jonas Savimbi, thawed visibly under the blandishments offered at a true-blue soiree at the Carlton Club the other night. He warmed particularly to the praise of Edward de Cunn, who hailed him as "a great champion of freedom," and the bewhiskered guerrilla leader seemed not at all discomfited by the supreme accolade when his host declared him: "the Mrs. Thatcher of Angola."

Despite du Cunn's fulsome welcome, however, and Savimbi's own claim to control over two-thirds of the oil and tory Britain, along with most mineral-rich West African territory of the rest of the world, still recognises the Soviet-backed MPLA authorities in Luanda as the true government of the former Portuguese colony.

So after a twoday visit to London, during which he was ostentatiously excluded from top political contacts, he must have been relieved to find some allies prepared to cock a sym pathetic ear to his message on the need to fight communism and maintain a bulwark against the spread of Soviet influence in Southern Africa.

The ear of du Cunn, chairman of the Tories' 1922 Committee and a leading member of the Lomhro board, is, of course, finely tuned to receive such messages. And Lomhro in the past has shown itself willing to help democracy's champions in the Dark Continent, giving aid which included the loan of an executive jet to Savimbi during



That explains why Maggie is so keen to hold ours back

the run-up to independence five years ago. All of which raised the question in my mind of who ultimately footed the bill for the Carlton party. Polite guest that I am, however, I did not press the issue.

## Rural rumblings

Increasingly deprived of buses, schools, village shops and other essential services, our country dwellers are agitating again over cuts which threaten to sever yet one more link between them and the world outside. Rural newspapers are now refusing to handle "unprofitable" deliveries to outlying farms. So serious has this deprivation become that the National Farmers' Union has taken it upon itself to handle "unprofitable" deliveries to outlying farms. So serious has this deprivation become that the National Farmers' Union has taken it upon itself to handle "unprofitable" deliveries to outlying farms.

Sympathetic vets, salesmen and milk tanker drivers have been playing their part and acting as part-time paper boys. But this goodwill service is too fragmented and unreliable for the chairman of the union's information committee, Bob Saunders. He wants national action

to restore what he calls an "amenity which adds to the quality of life."

"The majority of farmers take a daily newspaper," the NFU tells me, "and the NPA has various schemes to aid deliveries in rural areas. We would like to know, for example, what happened in the Post Office pilot scheme where papers were delivered with the mail."

So would NFU president Richard Butler, who, having noted the increasing bucolic rumblings, confides that even he has been cut off by his local newsagent.

## Industrial Spirits

Since cheap imports from the Far East are blamed for nearly every British business malaise, it is unreasonable for me to suggest that we might consider importing the cure from the same quarter?

Prosperous businessmen in Hong Kong swear by their *fung shui* experts who are paid handsomely to keep evil spirits at bay. Literally "wind and water," *fung shui* is an ancient Chinese concept based on the belief that every place and every time has an allocation of cosmic forces which influence people and events for good or ill.

The rituals are heeded so conscientiously in Hong Kong that even Western-based companies consult the "experts". Dow Chemicals, for example, recently paid a *fung shui* man \$500 to select a proper groundbreaking date for a new plant. A managing director David Da Silva observes: "There are too many stories about companies with bad *fung shui* going broke to ignore it."

## Bad taste

From a Lincolnshire local paper: "Mrs. ——— said while the old-style comic postcard was acceptable, some of those now on sale were obscene and would revolt any decent-minded person. She had sent 20 of the worst examples to her MP."

**The search for the perfect malt whisky.**

For nearly two centuries in the remote Orkney Islands Highland Park has produced classical malt whisky in the most northern Scotch Whisky Distillery in the world. It is a highly individual Malt with a very definite character that age enhances into a mellow delight... SIMPLY PERFECT.

THE HIGHLAND DISTILLERIES COMPANY LTD

**HIGHLAND PARK**  
Malt Scotch Whisky

12

Observer



# A song in Whitehall

DESPITE the unseasonal wet and cold, some of the people most closely concerned with British government economic policy can be heard singing in the bath. This very fact will drive some industrialists, struggling with recession and a strong pound, to further paroxysms of fury: and it is noticeable that the Bank of England does not entirely join in the celebrations.

The main reason for the rejoicings at the Whitehall end of town is that inflation is coming down further and faster than most mainstream officials and forecasters thought possible even a few weeks ago. The sooner that inflation comes down, the sooner pay rises will accelerate, and the sooner the latter happens, the sooner one can hope for a turnabout in unemployment.

Exponents of the conventional wage-push cost-plus view of the world are at a loss to explain what is happening. All sorts of prices not directly connected with the wage round have changed direction radically. Spot oil prices have fallen, and petrol prices are being lowered only a few weeks after their last increase. Materials and fuels produced by industry cost less in June than in April. The early summer sales at knockdown prices in the High Street may be a business sign that "trade is bad," but for the customer it is good.

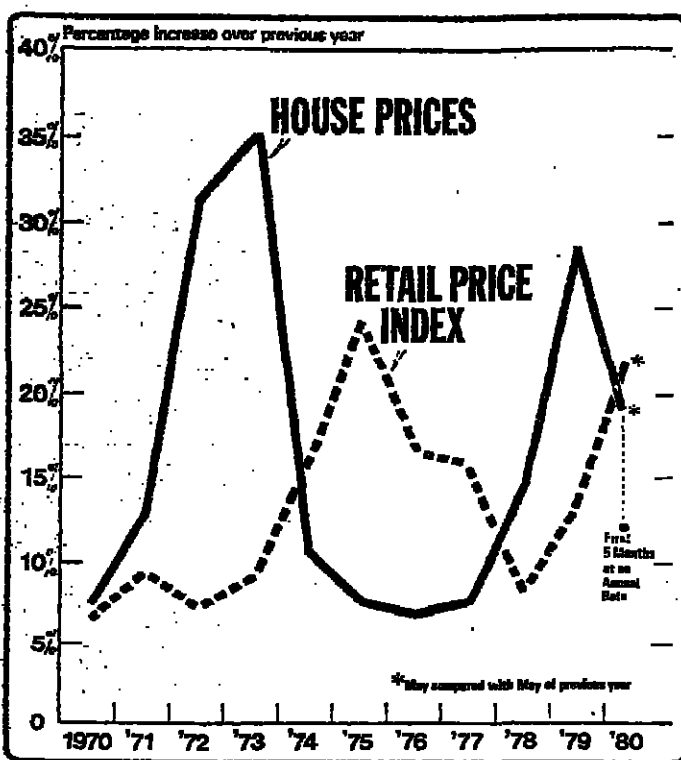
The attention of the Cabinet at its economic teach-in a week ago was particularly directed to house prices. These are closely related, in magnified form both to the money supply (and may provide a good guide to the money supply when the monetary figures are hopelessly confused by technical distortions) and to the increase in

the Retail Price Index in a year or two's time. The increase in the Building Society's index of all house prices at mortgage completion stage reached a high for the present cycle of 28.1 per cent in 1979. The year-on-year rate of increase was down to 19 per cent this May, and the annualised rate of increase in the first five months of 1980 works out at 12 per cent.

There is also a good deal of more informal evidence of firms and people pricing themselves into work. Even pop record-making companies are considering using price cuts to boost falling sales. More seriously, wage settlements are being made in single figures in parts of the hard-pressed Midlands without waiting for the turn-around in the RPI or a lead from the TUC.

The year-on-year rise in the RPI reached a peak of 21.9 per cent in May—barristerous enough, but not the 23 per cent that some headlines had led us to expect. It should fall to around 21 per cent in the June figure to be published tomorrow week. By July, when the VAT increases are out of the calculation, this should be down to 17 or 18 per cent. After that the pace of reduction could fall. The Chancellor is being advised to expect perhaps 18.1 per cent by the end of the year. My own guess is more like 15 per cent.

The inflation profile for 1981 leaves more to the imagination. But the Budget forecast of 13.1 per cent by the second quarter of next year no longer looks like wishful thinking and single figures will be in sight by the end of 1981—this last guess being entirely my own. Of course if there is something like a Saudi Arabian revolution all bets are off, but anyone who makes an unqualified forecast is a fool.



The reason for the unexpectedly rapid progress on the inflation front is that the monetary squeeze is much sharper than any government would have dared to plan consciously. The argument between proponents of Professor Milton Friedman's gradualism and Professor Hayek's immediacy has been settled by events, which have brought about something between the two.

Because of the rebound from past pay policies and the delay in securing credibility for the Government's monetary objectives, earnings have been rising up to now by over 20 per cent per annum (if we believe the index). This has put direct pressure on profit margins, and

national inflation divergences—not just the result of high UK interest rates, but reflects an oil premium (the effect of North Sea oil on the exchange rate) with which UK industry will have to live. It is notable that sterling rose in response to signs of lower inflation and speculation about falling interest rates.

The James Capel Review suggests that the "intuitive optimism" behind last week's reduction in the Minimum Lending Rate will be seen to be justified in the autumn when the distortions of the corset have disappeared.

The present optimistic mood will be rudely interrupted when this month's employment statistics are published on July 22. The peak influx of school leavers together with normal seasonal movements will be sufficient to take the headline unemployment figure from 1.68m to 1.8m and it could be higher still. Senior Ministers are being advised—for once correctly—that the level of pay rises is the clue to halting the upward drift in the jobs.

It is this which accounts for the new emphasis on wages and the insistence on MPs showing an example in their own salaries. Indeed the relation between pay and unemployment was explained for anyone who was listening in the middle of the Prime Minister's statement on the Boyle recommendations.

The relationship, spelled out in the chart at the top of the article was revealed to the Cabinet a week ago today. The moral is simple. When earnings rise faster than the money supply, people are priced out of work and unemployment rises. When earnings rise more slowly unemployment falls. The unemployment peak of the winter of 1971-2 reflected

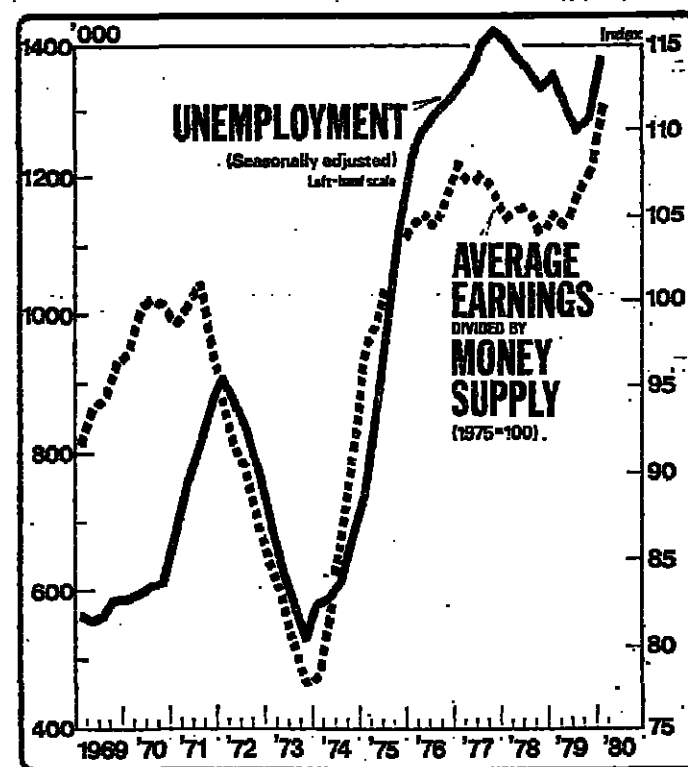
the wage explosion at the end of the first Wilson Government and the beginning of the Heath one. The unemployment peak of 1977 reflected both the post-Heath wage explosion and the monetary clampdown of the Healey period. The subsequent recovery reflected first the initial success of the Healey pay policies and the subsequent loosening of monetary policy.

There is, however, more in the relation than meets the eye. Why are earnings divided by the money supply rather than the price level? The ratio plotted can be regarded as the quotient of two other ratios. These are earnings divided by prices and prices divided by the money supply. The first of these, of course, represents real wages (before tax). For a given level of labour productivity it shows the extent to which workers are pricing themselves into or out of jobs. This is about the most important factor on the supply side.

The second ratio shows the real value of the money supply and is a good shorthand indicator of what is happening to real demand. Thus the two together combine in an ingenious way both the demand and supply forces behind the movements in unemployment.

This might suggest that unemployment can be alleviated by boosting the money supply or by pay restraint. The first route, however, is completely deceptive. The Government and Bank of England can control only the nominal money supply. The stimulus to business and employment lasts only during the lag until the additional money works its way into the price level.

The lag would be much shorter today than in the Heath boom of 1972-73. Financial and



labour markets are now far more sensitive to monetary policy. A monetary boost would be reflected far more quickly in the exchange rate, asset prices and the cost of living. Moreover, if people react to inflationary fears by increases in precautionary saving, there may not be even a temporary boost to real demand. In that case, abandoning the monetary objective would leave the UK with a higher rate of inflation embedded in the economy with broad brush. It cannot show the changes in relative as distinct from average earnings required to price people into jobs and to cope with structural shifts such as the movement out of manufacturing. A labour market does exist for public sector employees; and the cash limits when set ought to be seen as a wage norm, both for the sake of employment and to avoid sectoral confrontation. Hence, too, the importance of abolishing Clegg and reducing the influence of Civil Service Pay Research, which stand in the way of market adjustments.

A chart such as the top one in this article is inevitably very broad brush. It cannot show the changes in relative as distinct from average earnings required to price people into jobs and to cope with structural shifts such as the movement out of manufacturing. A labour market does exist for public sector employees; and the cash limits when set ought to be seen as a wage norm, both for the sake of employment and to avoid sectoral confrontation. Hence, too, the importance of abolishing Clegg and reducing the influence of Civil Service Pay Research, which stand in the way of market adjustments.

Samuel Brittan

## Letters to the Editor

### Bogey of Sunday trading

From the Deputy General Secretary, Union of Shop Distributive and Allied Workers. Sir—The director of the National Consumer Council (July 1) attempts to pour scorn on Mr. Tom Torney, the Union of Shop Distributive and Allied Workers MP, for what he describes as "the bogey of shop assistants being forced to give their leisure and work on Sundays."

Mr. Mitchell suggests that there are other laws preventing shop assistants from working excessive hours. I would point out to him that there are also laws provided under the Wages Council Act protecting workers in respect of wages, that is statutory minimum rates.

These laws lay down what are considered by many people to be very low statutory minimum rates of pay and these are designed to meet the requirements of the less efficient and smaller retailer, and yet we find that the few retail entrepreneurs who are using every trick possible to flout the Sunday trading laws (thank goodness there are only a few) are actually paying many of the staff no more than the statutory minimum rates. So much for progress in the 1980s.

Mr. Mitchell should also face up to the fact that this is the seventh attempt to introduce legislation to provide for a free-for-all in retail trading. The last occasion was in the House of Lords, when much of the argument was based on giving greater opportunity to the booming tourist trade. We were told on that occasion tourists were very anxious to

shop in Britain's food and butchers' shops. This position apparently has now been altered because, according to an assessment by one of the biggest estate agents in London, about 40 per cent of their tenants have not yet made their quarter-cent payment due by the end of June, and they suggest that part of the difficulties which their tenants are having to face has been the tremendous reduction in business as a result of a dramatic fall-off in tourists coming to Britain and the West End shops because of the strong pound.

I am assuming that this is why the argument on this occasion is now being switched from the tourists to the British consumer. In effect, each new attempt brings up a new synthetic argument to justify the introduction of a free-for-all, seven-day trading week.

The licensing trade in Scotland adjusted opening hours in order, we are told, to bring the Scottish scene into line with practice in England and Wales. On statistics available, this does not appear to have led to an upsurge in alcoholism in Scotland, or indeed to excessive Sunday or mid-afternoon drinking. But what has happened is that prices were increased in the peak periods because of increased overheads as a result of extended hours—precisely the arguments being advanced by those of us who seek to protect the economy in this debate as well as the retail worker.

John Flood, USDAW, 185 Whitmore Road, Fallowfield, Manchester.

### Local authority grants

From Mr. T. Travers. Sir—Dr. David King (July 7) dips Robin Pauley considerable injustice. The Government is currently introducing a "block grant" to replace two of the major components of the existing rate support grant. It is doing this because one of the components (the resources element) ties grant paid directly to the rate poundage charged by an authority, while the other (the needs element) is calculated using statistical techniques which indirectly relate one year's grant receipts to previous years' expenditure patterns. It is argued that directly or indirectly, authorities can pre-empt extra grant simply by spending more. In addition, the present grant system is incomprehensible and unstable because of manipulation by central government.

Block grant is intended to improve the RSG. As the proposed system has emerged from Parliamentary Committee and official working groups, none of the original problems of needs and resources elements will be solved. The whole of block grant will depend on what authorities decide to spend in the same way that resources element does currently, though with two important differences. Block grant will be roughly three times higher than resources element and secondly, the Government will be able to discourage decisions to spend too high by controlling the rate poundage charged. This means that for most authorities there will be either as much or greater encouragement to spend as in the present system: more spending will still increase grant receipts.

All attempts at comprehen-

### Backing their judgment

From the Deputy Director General, Confederation of British Industry.

Sir—In his letter (July 7) Mr. Moss criticises the Confederation of British Industry and all companies who use head-hunters—or intermediaries as he calls them. Mr. Moss clearly does not understand the role of the head-hunter, which is to search and find the right candidates and to submit a short list from which the client can select. This is precisely what will happen in the case of the CBI. It is naive in the extreme to suggest that a firm of head-hunters is being made responsible for the ultimate selection of a director-general of the CBI.

Edward James, CBI, Centre Point, 103, New Oxford Street, WC1.

### Definition of 'provisions'

From the Deputy Chairman, United City Merchants.

Sir—Mr. Matthews (July 2) correctly quotes the wording of

the Companies Acts, but the section he quotes relating to "diminution in assets" clearly relates to what are really provisions, and I was arguing that the "general provision" is a reserve whose movements should be disclosed. I am well aware of the wording in the Act. In any case I believe he agrees with this view.

As to the exemption from disclosure of the movements in provisions, of course movements relating to true diminution are within the exemption, but all other movements should be disclosed; yet seldom are. It is in any case the view of some authorities that "assets" in the context quoted by Mr. Matthews relates specifically to fixed assets.

The subject is somewhat

wider than bad and doubtful debts. Accounts are as good an estimate as one can make. Provisions are set aside for a number of purposes with this aim in mind. The Jenkins report was quite clear on what was the intention. It is also interesting that the reserve has lost favour in accounting terms and we tend to refer to what we would at one time unhesitatingly have called reserves as provisions. The full definition in the Companies Acts are quite clear. As a director as well as an accountant, I agree with Mr. Matthews that they should be read carefully.

R. S. Waldron, United City Merchants, 3-5, Spallow Place, Princes Street, W1.

### Non-tariff barriers

From the Director General, Federation of Manufacturers of Construction Equipment and Cranes.

Sir—The problem facing UK manufacturers of lifting equipment results from the nature of our safety legislation which, uniquely in Europe, does not consist of specific detailed regulations with an official acceptance procedure to enforce compliance, but simply imposes a general duty, under Section 6 of the Health and Safety at Work Act, to design and supply safe equipment.

British companies seeking to export lifting equipment to other EEC markets have to submit their design to approval organisations before their products are allowed to be imported. It is usually a requirement that the equipment has to comply with national standards of the importing country and calculations have to be provided to demonstrate conformity. There are thus "non tariff barriers," set up in the name of safety, which can be used to impose delays, design changes and extra cost on the would-be UK exporter.

In the case of a foreign manufacturer importing lifting equipment into the UK there is no such approval requirement and any equipment, to any standard, can be imported without hindrance and set to work. The fact that the health and safety at work legislation applies to such imported equipment does not ensure that it is to the high standards of design and safety which have evolved in the UK, because no official will necessarily examine the equipment unless there is an accident involving its use. The UK legislation achieves its purpose by placing an obligation on the manufacturer, and on his designer, which is backed up by the executive's specialist officials who provide a great deal of consultation and detailed interpretation. There is an ultimate sanction in the threat of criminal proceedings against companies, their executives and even designers. This process results in standards of design, manufacturing quality, testing and safety, which are amongst the highest in the world and which are codified, but only partially, in British standards and codes of practice.

The position, however, of a manufacturer in, say, Eastern Europe or the Far East, who is exporting to the UK, is that he does not have the dialogue with our Health and Safety Executive, he is not obliged to comply with British standards and codes of practice and he is not under threat of pro-

ceedings under UK criminal law. It appears that the Section 6 obligations devolve via the importing agent upon the eventual user in such a case but, as the latter is not skilled in the design of lifting appliances, this would not seem to provide a watertight safeguard. The fact that someone may have to be injured or killed before the Health and Safety Executive is called to examine an unsafe appliance and prohibit its use appears a weakness in legislation which, in the case of UK manufactured equipment, is highly effective.

Less attention is drawn to this anomalous position than one might expect because most imported lifting equipment is reasonably safe and because it is a statistical fact that nearly all accidents are due to human error rather than equipment failure. The deep concern of UK manufacturers centres upon an unfair trading situation in which the UK has no barriers to imports of lifting equipment whereas UK exports to Europe face highly effective obstacles. The health and safety legislation was not devised as a technical barrier and no criticism can be levelled at the executive for not doing something which was never its job. We should not be surprised however when British manufacturers express the wish that it should operate on the Continental pattern with which they have to grapple in their export markets.

Dialogue between industry and Government has not made any progress in the area of non-tariff barriers and has revealed a vague and unjustified optimism in Government that the European barriers will be removed. We can observe no indications that this will happen and recently new barriers have been created in France. Official EEC policy seeks to harmonise the regulations, so that all member countries would eventually require equipment to comply with the same detailed regulations but this solution is incompatible with the UK system which does not use detailed regulations and has no acceptance procedure.

In the grim trading conditions now facing the UK crane and lifting equipment industry, manufacturers would like to see rules which favour the home side but if that is politically unacceptable they should surely at least be the same for everyone. P. S. Lane, Federation of Manufacturers of Construction Equipment and Cranes, 8, St. Bridge Street, EC4.

## Today's Events

GENERAL. UK: Mr. David Howell, Energy Secretary, speaks at Society of Local Authority Chief Executives annual conference, Edinburgh.

Mr. James Prior, Employment Secretary, opens new phosphate plant, Ann Street, Widnes. National Union of Mine-workers' annual conference continues, Eastbourne (to July 11).

Industrial Tribunal resumes on Leyland foremen dismissed after allowing workers to sleep on night shift, Birmingham.

Prince Philip inducted as President of Honour at start of British Dental Association centenary convention, Royal

Festival Hall, London.

London Chamber of Commerce conference on energy resources planning in Africa.

Prince Charles attends Farmers' Company meeting, Skippers' Hall, London.

Kent Agricultural Show opens, Maidstone (to July 12).

International Showjumping, Hickstead, West Sussex (to July 13).

Overseas: President Jimmy Carter meets Chairman Hua Guofeng, the Chinese leader, in Tokyo.

European Parliament hears Commission's ideas on the pre-

liminary draft budget for 1981, Strasbourg.

President Valéry Giscard d'Estaing of France on official visit to Bonn.

PARLIAMENTARY BUSINESS. House of Commons: Opposition motion on decline in manufacturing industry.

House of Lords: Health Services Bill, committee.

COMPANY MEETINGS. Atkins Bros. (Hosiery), The Old Cottages, Lower Bond Street, Hincley, 12. Capper Neill, Piccadilly Hotel, Manchester, 11.30. Doranakande Rubber

Estates, 14 Great Tower Street, EC. 12. Fidelity Radio, Cunard International Hotel, 1 Shortlands, W. 11. Morgan Crucible, Cafe Royal, 66 Regent Street, W. 10.30. J. N. Nichols (Vimto), Ledson Road, Wythenshawe, Manchester, 11. United Engineering, Midland Hotel, Manchester, 12.

COMPANY RESULTS. Final dividends: Braithwaite Engineers, Desjans Holdings, Philip Harris Holdings, Eton Group, Mitchell Somers, Oil and Associated Investment Trust, Ratners (Jewellers), United Gas Industries, Interim dividends: Imperial Group, Sotheby Parke Barnett Group, Tribune Investment Trust, Watson and Philip.

**Skelmersdale**

Call us and discover that there's more to our name than meets the eye.

Whichever way you say it, Skelmersdale stands for a deal that goes further than the special government grants and nearness to motorways. Namely, a personal and businesslike approach to helping the industrialist.

The Industrial Development Corporation, Skelmersdale, Lancashire WN8 8AR. Tel: Skelmersdale 24242 (STD Code 0695) Telex: 628259

**Skelmersdale** what's in a name?



## ISSUE NEWS

## MEPC to issue \$30m convertible Eurobond

MEPC will offer through its wholly owned subsidiary Metropolitan Estate and Property International NV, a \$30m euro-bond convertible into MEPC ordinary shares. The property group announced last night.

MEPC, the second largest listed UK property company, with property assets of £43m, explained that the proceeds of the issue will be used primarily to finance further expansion in the U.S. and also to refinance existing dollar debt.

The bonds will have a maturity of 15 years, will be guaranteed by MEPC and carry a coupon of 8 1/2 per cent per annum; they will be convertible on or after February 1, 1981 until December 15, 1995. The conversion premium is to be fixed at time of offering; it is expected to be 10 per cent above the price of MEPC Limited's shares prevailing at that time.

Interest will be paid annually in arrears on January 15 in each year, the first payment being made in 1981.

The terms of the issue provide for optional redemption by the issuer from January 15, 1985 until January 15, 1990, at a premium of 105 per cent in 1985 declining by 1 per cent annually thereafter, provided that the market price of MEPC Limited's shares has been at least 150 per cent of the conversion price for 90 days.

The issue is co-lead managed by Morgan Grenfell and Co. and Kuwait International Investment Co. and managed by Banque Bruxelles Lambert SA, the Industrial Bank of Kuwait KSC, Morgan Stanley International, Piersen, Helderling and Piersen NV, S. G. Warburg and Co. and Wardley Limited.

## SUNDERLAND AND SOUTH SHIELDS

The average tender price in the offer for sale of £3m 94 per cent preference stock by the Sunderland and South Shields Water Company was £102.487. The issue attracted applications for £9.15m of stock and the lowest price to receive a partial allotment was £102.31. Dealings began today.

## EQUITY CONSORT

Taxable revenue of Equity Consort Investment Trust rose in the year to April 30, 1980, from £481,392 to £544,528.

The tax charge was up slightly at £172,849 (£170,250) and gross earnings per £1 share are given as 12.61p, against 11.15p.

A final dividend of 8.65p (7.75p) makes a total of 12.25p (10.75p).

## Bulmer 27% ahead at £3.3m

## HIGHLIGHTS

The Lex column looks at the French chemical industry where a major deal was announced yesterday. Rhone Poulenc is selling most of its heavy chemical interests to Elf-Aquitaine. Meanwhile British property group MEPC is raising \$30m by a convertible bond issue to help finance expansion in the U.S. The formal documents have been released in connection with the proposals to reorganise the structure of News International. Finally Lex considers the fluctuations in the gilt-edged market yesterday which will lead to buying of the Government's new tap stock this morning.

WITH TURNOVER rising by 23 per cent to £49.52m, pre-tax profit of H. P. Bulmer Holdings advanced 27 per cent to £3.28m in the year ended April 25, 1980.

Mr. Peter Prior, chairman, says cider sales in the first two months of the new financial year "have not been up to expectations" but "I shall be disappointed if we do not show a further improvement in our results in 1980-81."

At halfway, when pre-tax profit was up from £1.93m to £2.3m, the directors expected full year results to show a worthwhile improvement but they did not expect to reach the record £3.5m of 1976-77, the last year before the full effect of the cider duty was felt.

The chairman now reports that the accelerated rate of improvement with sales rising by 26 per cent with pre-tax profit up 33 per cent.

Group trading profit in the year rose by 34 per cent to £3.28m, while interest payable almost doubled from £1.1m to £2.03m.

Earnings per share are said to be up from 20.13p to 24.56p and a final dividend up from 2.70p to 3.25p takes the total for the year up from 7.53p to 8.54p.

The main reasons for the increase in interest charges were the higher level of borrowings in the first half, mainly to fund the previous year's record apple crop, and the much higher level of UK interest rates, particularly in the second half.

"However, as I predicted at the interim stage, the rate of increase in group interest

charges in the second half year (67 per cent) was less severe than in the first half year, during which they had been more than double those of the first half of 1978-79," says Mr. Prior.

While keeping to the original capital expenditure programme of £3.4m for 1979-80, the group has been able to contain the level of group borrowings at April 1980 to only £8.1m compared with £7.5m a year earlier.

The group remains in a strong financial position with net borrowings at April 1980 representing 33 per cent of shareholders' funds, the same ratio as in April 1979.

In April this year Red Stripe premium lager was added to the range of drinks and in May selling and distributing "T-up" in litre bottles began. Bulmer will also be bottling this product later this year.

The encouraging trend shown by the Australian subsidiary reported last year continued, and in 1979-80 cider and apple juice sales volume increased by

23 per cent. In Australian dollar terms trading profit increased by 13 per cent, but due to the strength of the pound, this improvement was only 3 per cent in sterling terms.

Year ended 1980 1979

Cider, pectin sales £47,430 36,829

Wines and spirits 2,079 1,537

Total sales 49,517 40,365

Cider, pectin profit 4,302 3,893

Wines and spirits 316 147

Property 36 80

Trading profit 4,618 4,039

Interest payable 2,034 1,105

Profit before tax 2,584 2,934

Tax 604 364

Net profit 1,980 2,570

Extraordinary losses 38 45

Attributable 1,942 2,525

Pre-tax dividends 884 720

Retained 1,058 1,805

Excluding excise duty and VAT, 1980 1979

Dividend 3.25p 2.70p

Dividend cover 1.2x 1.3x

Dividend yield 10.8% 10.8%

Dividend cover 1.2x 1.3x

Dividend yield 10.8% 10.8%

Dividend cover 1.2x 1.3x

Dividend yield 10.8% 10.8%

Dividend cover 1.2x 1.3x

Dividend yield 10.8% 10.8%

## Downing holds £1.9m

Taxable profits of G. H. Downing recovered strongly in the second six months of 1979/80 after a £200,000 fall to £750,000 at mid-year.

For the 12 months to March 31, 1980, the surplus emerged £36,000 lower at £1.9m.

Turnover of the group, whose main activities include manufacturing glass products, refractories and roadstone aggregates as well as electrical power engineering, rose from £14.23m to £16.55m.

Earnings per 30p share are given as 13.7p (25.5p). A final dividend of 6p (3p), makes the total 8.75p net (7.75p).

After tax of £765,000 (£195,000), attributable profit was down from £1.74m to £1.13m.

Comment

G. H. Downing has produced some big volume gains in the dominant building products division although the benefits are masked by a £300,000 decline in the trading contribution of the Dutch subsidiary.

The trading loss in the group's cider subsidiary in the U.S. has been reduced, not eliminated.

Nevertheless, there are encouraging signs at home such as the development of new agencies for major brands such as Perrier, 7 Up, Red Stripe and assorted wines. The group's wine business in particular shows scope for further growth.

Depending on the future path of interest rates and the retail trade, Bulmer could be heading upward from last year's £3.3m pre-tax. The chances of surpassing its 1977 high of £3.3m, however, are slim.

Year ended 1980 1979

Turnover £16,550 14,230

Trading profit £1,130 1,740

Interest payable £1,130 1,105

Profit before tax £2,584 2,934

Tax 604 364

Net profit 1,980 2,570

Extraordinary losses 38 45

Attributable 1,942 2,525

Pre-tax dividends 884 720

Retained 1,058 1,805

Excluding excise duty and VAT, 1980 1979

Dividend 3.25p 2.70p

Dividend cover 1.2x 1.3x

Dividend yield 10.8% 10.8%

Dividend cover 1.2x 1.3x

Dividend yield 10.8% 10.8%

Dividend cover 1.2x 1.3x

Dividend yield 10.8% 10.8%

Dividend cover 1.2x 1.3x

Dividend yield 10.8% 10.8%

Dividend cover 1.2x 1.3x

Dividend yield 10.8% 10.8%

Dividend cover 1.2x 1.3x

Dividend yield 10.8% 10.8%

Dividend cover 1.2x 1.3x

Dividend yield 10.8% 10.8%

Dividend cover 1.2x 1.3x

Dividend yield 10.8% 10.8%

Dividend cover 1.2x 1.3x

Dividend yield 10.8% 10.8%

## Downing holds £1.9m

Taxable profits of G. H. Downing recovered strongly in the second six months of 1979/80 after a £200,000 fall to £750,000 at mid-year.

For the 12 months to March 31, 1980, the surplus emerged £36,000 lower at £1.9m.

Turnover of the group, whose main activities include manufacturing glass products, refractories and roadstone aggregates as well as electrical power engineering, rose from £14.23m to £16.55m.

Earnings per 30p share are given as 13.7p (25.5p). A final dividend of 6p (3p), makes the total 8.75p net (7.75p).

After tax of £765,000 (£195,000), attributable profit was down from £1.74m to £1.13m.

Comment

G. H. Downing has produced some big volume gains in the dominant building products division although the benefits are masked by a £300,000 decline in the trading contribution of the Dutch subsidiary.

The trading loss in the group's cider subsidiary in the U.S. has been reduced, not eliminated.

Nevertheless, there are encouraging signs at home such as the development of new agencies for major brands such as Perrier, 7 Up, Red Stripe and assorted wines. The group's wine business in particular shows scope for further growth.

Depending on the future path of interest rates and the retail trade, Bulmer could be heading upward from last year's £3.3m pre-tax. The chances of surpassing its 1977 high of £3.3m, however, are slim.

Year ended 1980 1979

Turnover £16,550 14,230

Trading profit £1,130 1,740

Interest payable £1,130 1,105

Profit before tax £2,584 2,934

Tax 604 364

Net profit 1,980 2,570

Extraordinary losses 38 45

Attributable 1,942 2,525

Pre-tax dividends 884 720

Retained 1,058 1,805

Excluding excise duty and VAT, 1980 1979

Dividend 3.25p 2.70p

Dividend cover 1.2x 1.3x

Dividend yield 10.8% 10.8%

Dividend cover 1.2x 1.3x

Dividend yield 10.8% 10.8%

Dividend cover 1.2x 1.3x

Dividend yield 10.8% 10.8%

Dividend cover 1.2x 1.3x

Dividend yield 10.8% 10.8%

Dividend cover 1.2x 1.3x

Dividend yield 10.8% 10.8%

Dividend cover 1.2x 1.3x

Dividend yield 10.8% 10.8%

Dividend cover 1.2x 1.3x

Dividend yield 10.8% 10.8%

Dividend cover 1.2x 1.3x

Dividend yield 10.8% 10.8%

Dividend cover 1.2x 1.3x

Dividend yield 10.8% 10.8%

## Derritron plunges into loss and omits final dividend

AN EXCEPTIONAL debit of £451,000 has left Derritron, electronics manufacturer and distributor, with a pre-tax deficit of £117,181 for 1979 compared with profits of £702,611.

The final dividend is omitted, and the interim of 0.5746p already paid represents the total, against 0.511p in 1978.

The directors are planning an increase in share capital to enable a rights issue of one-for-two at 13p.

Midway taxable profits were down £133,000 at £142,000, because of a delay in obtaining export licences for certain large orders. In November, 1979 the directors stated that a strong recovery had been made in the second half, but later announced that the write-off of major exceptional items meant the outcome for the year was likely to be close to a break-even position. They were of the opinion that 1980 would see a significant recovery in profitability.

The loss this time includes sharply increased interest charges of £257,580 against £98,447 and development expenditure of £246,967 (£296,383).

After a tax credit of £16,987 (£316,406 charge) and an extraordinary debit of £76,000, the loss per share is shown as 0.94p compared with earnings of 3.12p. Turnover rose by £2.24m to £3.14m.

Comment

Derritron achieved a trading profit of £238,000, but that was quickly wiped out by quadrupled interest charges and a £400,000 loss on an overseas seismology contract. Meanwhile, the company became tremendously cash hungry and was unable to fulfill its healthy order book. Now, with around £1m of borrowings on £1.2m shareholders' funds, the company is trying to rebuild cash resources with a one-for-two rights issue at 13p. The final dividend has been passed but the company stands a reasonable chance of returning to profit at the halfway stage this year. With the 77 per cent holding in Derritron now sold off by Sebbin Trust, new management has been given the chance to restore earnings but although recovery in the current year is feasible, the company has a fair way to go.

Year ended 1980 1979

Turnover £3,140 2,900

Trading profit £238 238

Interest payable £451 238

Profit before tax £238 238

Tax 604 364

Net profit 1,980 2,570

Extraordinary losses 38 45

Attributable 1,942 2,525

Pre-tax dividends 884 720

Retained 1,058 1,805

Excluding excise duty and VAT, 1980 1979

Dividend 3.25p 2.70p

Dividend cover 1.2x 1.3x

Dividend yield 10.8% 10.8%

Dividend cover 1.2x 1.3x

Dividend yield 10.8% 10.8%

Dividend cover 1.2x 1.3x

Dividend yield 10.8% 10.8%

Dividend cover 1.2x 1.3x

Dividend yield 10.8% 10.8%

Dividend cover 1.2x 1.3x

Dividend yield 10.8% 10.8%

Dividend cover 1.2x 1.3x

Dividend yield 10.8% 10.8%

Dividend cover 1.2x 1.3x

Dividend yield 10.8% 10.8%

Dividend cover 1.2x 1.3x

Dividend yield 10.8% 10.8%

Dividend cover 1.2x 1.3x

Dividend yield 10.8% 10.8%

Dividend cover 1.2x 1.3x

Dividend yield 10.8% 10.8%

## A. Herbert accounts qualified

THE 1979 annual accounts of Alfred Herbert, the machine tool subsidiary of the National Enterprise Board, have been qualified by PricewaterhouseCoopers.

The auditors say the accounts are prepared on the going concern basis for the remainder of the group's business "which assumption is consistent with the successful operation of the manufacturing and marketing activities retained and on the timely realisation of the businesses planned to be divested."

The group's balance sheet at December 31, 1979, shows bank overdrafts of £3.98m against the previous year's £6.02m, of which £7.49m (£5.14m) is secured. All the overdrafts are repayable in one year or less, or on demand.

Stock and work-in-progress is £31.0m compared with £39.02m. As known, the group reported an attributable loss for 1979 of £13.9m (£7.36m) after redundancy and reorganisation costs of £10.53m (£4.95m). At December 31, arrears of the preference

dividend from May 1, 1972, to October 31, 1979, amounted to £108,580 net.

The NEB is providing no further sums to aid restructuring and the group at present is attempting to sell its assets wherever possible in the most beneficial manner. Mr. P. A. Rippon, chairman, says in his report that the NEB has confirmed, however, that it will not be providing further financial support, no additional or new guarantees have been given.

Meeting, de Vere Hotel, Coventry, July 31 at noon.

Lex, Back Page

Year ended 1980 1979

Turnover £3,140 2,900

Trading profit £238 238

Interest payable £451 238

Profit before tax £238 238

Tax 604 364

Net profit 1,980 2,570

Extraordinary losses 38 45

Attributable 1,942 2,525

Pre-tax dividends 884 720

Retained 1,058 1,805

Excluding excise duty and



# Cash flows in for the exploration game

THERE IS a certain magic in the air. Like magic money from heaven, rights issue money is falling through the streets of the City into the open pockets of a number of small and relatively unknown oil exploration companies.

Alan Friedman writes: In the supercharged atmosphere of the seventh round of North Sea licence applications, the series of small oil group cash calls which began in January is now reaching epidemic proportions. More than £45m has been raised by just eight independents in the past six months and an equal amount may be on call as a result of the formation of a handful of new North Sea exploration companies.

Given the normally cautious attitude of City fund managers, this phenomenon represents a type of financial free-for-all. At the Prudential, Mr. Peter Moody, joint chief investment manager, says both the rights issue business and the entire exploration business are a bit dicey. But he adds: "If you are going to get into the exploration game, you're in for the seventh round."

## Independent

The Pru has about 12 per cent of its main fund portfolio in oil, most of this in the majors. The value of these holdings approaches £250m, according to

Mr. Moody. But the Pru has played an active part in taking up a number of rights issues and new issues connected with small independent oil explorers. Says Mr. Moody: "The aim is to try and get enough interests in different blocks so that you'll definitely be in some which are successful."

Merchant banker Singer and Friedlander has piloted four separate money-raising operations in the recent past, including a £4.5m rights issue for Clyde Petroleum. Together with stockbrokers Hoare Govett, it helped Saxon Oil's debut in late May. This is a new North Sea exploration company which quickly placed its 15m shares of £1 each. Only 5p was paid, so the net value stands at £750,000.

A handful of City institutions were involved in the Saxon enterprise, including the Gartmore and Electra House investment trusts. Organisers of the placing reported that there was no problem attracting investors.

Mr. Pantor Corbett of Singer stresses, however, that potential shareholders should receive a warning: "We've taken a good deal of trouble to place these shares with people who understand the risks. At the best of times, drilling holes in

the North Sea is a highly speculative business."

At Electra House, which holds 20 per cent of Saxon, executive director Mr. Michael Stoddart claims the venture fulfils the basic role of the investment trust movement. "If we cannot obtain a licence in the seventh round, we will wind up Saxon and lose 5p in the pound," he says.

## Institutions

This appears to be the general approach of newly created exploration companies. Because the paid-up portion of shares is relatively small, the risk is not so great. But placers seek institutions capable of meeting a call if licences are obtained and development becomes feasible.

The rights issue business is slightly more concrete. The £43.2m called for since January has been reasonably easy to attract. This is partly because of the frothy nature of secondary oil shares; some of the junior oil companies are beginning to acquire quite solid reputations on the Stock Exchange. But other companies are attracting substantial sums even though investors have relatively little to go on.

Candecca Resources is an on-

RIGHTS ISSUES SINCE JANUARY				
Company	Amount	Reason	Date	
Coalite	£10.9m	N. Sea consortium	early July	
Carlless	£9.5m	3 N. Sea consortia, onshore plus refinery investment	mid-June	
Candecca	£5.8m	Onshore wells plus N. Sea consortia	mid-June	
Clyde Petroleum	£4.5m	N. Sea consortium plus U.S. exploration	late April	
Premier	£4.2m	1980 drilling programme plus N. Sea consortia	mid-January	
Charterhall	£3.7m	N. Sea consortia	late June	
Cluff	£3.2m	Block development, N. Sea consortia	late February	
Edinburgh Sees	£1.4m	N. Sea consortium	mid-March	

shore exploration company with a 25 per cent stake in the recently confirmed Humble Grove oil field near the A32 in Hampshire. It has been living largely off a £2.4m cash call it issued in September 1978.

Mr. David Hooker, managing director, says money has been used during the past two years to do extensive onshore research. With about 3m acres of holdings, the company is one of the largest holders of onshore exploration territory in Britain. Last month's £5.8m Candecca

cash call was designed mainly for the drilling of some 20 onshore wells during the next three years. Mr. Hooker acknowledges, however, that about £1m will be spent in joining a consortium for the seventh round.

Candecca's partner in the Humble Grove operation is Carlless, Capel and Leonard, the operator of the Hampshire field. Carlless is the oldest of the new explorers and is not strictly an exploration company. Founded in 1859, it made its name in

refinery activities and these still make up three quarters of the business.

But a few weeks ago, on the back of more than doubled pre-tax profits, Carlless came to the market for £9.5m in rights money, of which half is to be used for onshore and North Sea exploration; the company is now in three consortia run by Gulf and BNO.

Others are also getting in on the act. In the last two days two more oil explorers have appeared on the scene. Pentland Oil, a company backed by six British institutions, has joined a consortium led by Union Oil. Pentland's authorised share capital is £3m.

In addition, Marinex Petroleum, a 14 per cent partner in the Humble Grove field, has announced plans to seek a listing on the Stock Exchange under Rule 163 (iii). Marinex will concentrate on the growing area of onshore exploration.

## Rationale

Last week, Coalite, the solid fuels and chemicals company, went to the market for almost £11m, a sum it admitted it had no immediate need of. The rationale behind the rights

issue is the need to share in financing a seventh round consortium Coalite has joined (it remains unnamed). Based on the recent success rate of other cash calls, Coalite should have little problem bringing in its required sums.

Given the highly speculative nature of the oil exploration business and the uncertainties of bidding for a limited number of North Sea blocks, the market's recent love affair with secondary oil shares may be somewhat overdone. Stockbrokers Wood Mackenzie said as much in a recent report, which showed a number of such shares to be trading way above a realistic asset value per share.

But Mr. Tony Mackintosh of recent spate of oil rights issues as justifiable "hope money." "The traditional use of rights money is to correct balance sheets, but these companies are raising genuine risk capital and that's what the market is there for."

He adds that the large discounts in some cash calls may reflect company views that some of their shares may be overvalued.

But, notes Mr. Mackintosh, people are "presumably going into these money-raising ventures with their eyes open.

There is nothing wrong with that."

Mr. Rupert Lascelles, finance director of Premier Consolidated, agrees with this view. Premier started 1980 with a £4.2m rights issue to fund its own programme of drilling 26-30 wells this year and to help pay for a 12.5 per cent stake in the Esso consortium. This was the third rights issue for Premier since 1973, bringing the total money raised to £7.5m.

Mr. Lascelles comments: "We could either have sold some of our LASMO shares to raise money or do it through the market. We decided it was worth holding on to the LASMO shares."

## Secret

At present there appear to be at least half a dozen private prospectuses circulating around investing institutions. A number of money-raising ventures will remain secret until the conclusion of seventh-round applications. This makes it difficult to gauge the aggregate size of the issues, but most participants agree that beyond the £43.2m rights money an equal amount is being raised among new companies.

It remains a risky business and the caveats to oil exploration seem to outweigh even the heady rewards at times. But there is every reason to suspect that the manna will keep on falling.

## Carless warns of harder year for refinery side

A year of more difficult trading for the refinery division was predicted yesterday by Mr. John Leonard, chairman of Carlless Capel and Leonard. He told shareholders at the annual meeting that the current recession is "bitting deeper and harder throughout industry in general and the chemical industry in particular."

"In common with other manufacturers, our sales volumes are lower than originally expected," he said. However, Mr. Leonard expected

trading profits to be sufficient to maintain the level of dividend on the enlarged share capital as forecast in the recent rights issue circular.

Although year-end profits would not contain the sizeable stock profits of last year, Carlless' earnings will be announced £1.4m surplus realised on the sale of a trade investment in Strata Oil. Last year Carlless more than doubled pre-tax profits to £6.2m against £3.69m in 1978-79.

## Australian Bight project attracts the oil majors

BY STEPHEN THOMPSON

AMERICA'S Occidental Petroleum is to lead a consortium of six companies in a \$150m (£75m) oil exploration programme in the Great Australian Bight off the South Australian coast.

The other members of the consortium are Outback Oil, Charter Resources Australia, OKC Petroleum International, Marion Corporation and Jettie Oil.

The consortium will carry out seismic surveys and drill at least one well in a 16-month programme starting later this year. They will drill in a 30,000 sq km area adjacent to the one granted recently to BP-BHP.

The BP-BHP permit also covers an area of around 30,000 sq km and is located about 250 km south-west of Ceduna in water depths between 200 and 2,000 metres.

The exploration programme, which is expected to take six years, includes the drilling of three wells and will cost around \$350m.

The Bight is largely unexplored although several companies, including BHP, have sunk unsuccessful wells in recent years.

Strata Oil reports that the Woodada No. 2 well located about 112 kilometres west of the Woodada No. 1 gas discovery in the Perth Basin of Western Australia is presently drilling ahead at a depth of 1,778 metres. Progress for the week was 1,611 metres.

Woodada No. 2, which was spudded at the end of June, is being drilled to enable further assessment of the production

potential of the original Woodada discovery which flowed at a rate of 32,38m cubic feet of gas a day at a flow pressure of 1,815 psi after being stimulated with a 15 per cent hydrochloric acid solution.

Target depth of Woodada No. 2 is 2,375 metres—the level at which the initial gas flows from Woodada No. 1 were recorded. Strata says that an extensive testing programme is planned after total depth has been reached. This should be achieved in the next week or so.

Strata has a 26.95 per cent interest in the Woodada project. Hughes and Hughes of Texas control 65 per cent with the remaining 8.05 per cent divided between various companies and individuals.

Negotiations involving a "major U.S. oil company" are being held to finance the possible development of the Alpha oil-shale leases in North Queensland, reports James Forth from Sydney.

The talks were revealed at a meeting called to transfer the Alpha leases to Greenvale Mining and Esperance Minerals to Alpha Resources (until recently known as Craigmoor Mines).

Greenvale and Esperance maintain effective control through a 72 per cent shareholding in Alpha Resources.

Mr. Leslie White, joint chairman of Greenvale and Esperance, said that the talks were being held with the U.S. oil company and that a parcel of 100 kilometres of Alpha oil-shale had been flown to America for test retorting.

# PILKINGTON

"For a company to survive, it must cope with the future."

"For a company to prosper, it must create the future."

Sir Alastair Pilkington,  
retiring Chairman of the Pilkington Group

## The Pilkington Group worldwide



To: The Registrar, Pilkington Brothers Ltd.,  
Prescot Road, St. Helens,  
Merseyside WA10 3TT.

Please send me a copy of the  
1979/80 Pilkington Annual Report.

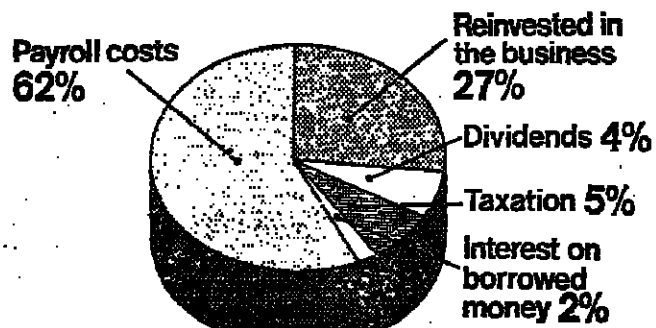
Name \_\_\_\_\_  
Address \_\_\_\_\_

## Financial highlights

	1979 £m	1980 £m
Sales to outside customers	548.8	629.0
Total Group profit before taxation (including licensing income of £37.0m)	90.3	91.4
Group profit after taxation	47.6	70.9
Dividends	9.8	14.8
Profit retained in the business	35.9	54.0
Earnings per share	36.7p	52.0p
Dividends per share (gross)	7.9p	10.5p

## Distribution of added value

Total to be distributed, £385.6 million



The story of the Pilkington Group is one not merely of adaptation to change, but of positive action to make the most of change.

Ten years ago, our sales were £116.9 million; in the last year, they were £629.0 million.

Ten years ago, we were predominantly a company supplying glass to the motor and building industries. Today, we make a range of products from Fibreglass reinforcement for cement, to sophisticated night-vision equipment for national defence.

Ten years ago, we employed 33,000 people. Today — despite improved efficiency and recession in some major markets — we employ 35,000.

In 1970, we had 65 subsidiaries and associates in 12 countries. Today, we have 160 subsidiaries and associates in 26 countries. Our overseas operations contribute 40% of sales and provide a stable defence against local economic problems. The overseas contribution will increase now that Flachglas, in Germany, has joined the Group.

The challenge of the future is still with us.

We believe that our present base is one of strength.

We continue to develop new technologies, new markets and new skills.

And we shall continue to recognize that industry is part of the society in which it operates, and must take some responsibility for dealing with the social consequences of change — as we are doing through our involvement with wealth- and job-creation schemes in the United Kingdom.

If you would like to know more about the Pilkington Group's performance in the past year, and prospects for the future, please send the coupon for a copy of our Annual Report.



How's that for enterprise!

## LONDON TRADED OPTIONS

Option	Expiry	Closing price	Vol.	Offer	Vol.	Closing price	Vol.	Equity close
BP	300	64	—	72	—	68	10	569p
BP	350	62	—	50	28	48	5	"
BP	380	4	1	20	6	24	—	"
BP	420	1	—	12	30	—	—	"
BP	450	98	1	12	50	85	—	161p
Com. Union	160	5	10	14	34	19	2	550p
Com. Union	200	45	1	27	1	75	—	"
Com. Gold	580	3	—	20	3	45	—	80p
Com. Gold	620	3	—	21	10	35	—	"
Courtauld	70	17	50	14	10	17	—	"
Courtauld	80	11	11	9	8	12	10	"
Courtauld	110	1	—	128	—	148	—	440p
SEC	260	88	10	52	1	70	1	"
SEC	280	36	6	28	25	46	—	160p
SEC	450	6	—	41	20	37	—	"
Grand Met.	180	47	15	18	87	25	1	"
Grand Met.	180	2	—	24	17	2	—	"
Grand Met.	180	2	—	24	17	2	—	"
ICI	350	60	—	72	6	77	—	887p
ICI	360	30	10	48	30	—	—	"
ICI	380	5	—	10	3	27	—	"
ICI	420	1	—	10	3	27	—	"
ICI	385	61	1	75	—	87	—	540p
Land Sec.	325	51	10	61	—	44	—	"
Land Sec.	325	9	10	125	—	44	—	"
Land Sec.	355	7	14	12	—	16	1	96p
Mar. & Sp.	100	1	4	7	10	11	—	910p
Mar. & Sp.	100	1	4	7	10	11	—	"
Shell	380	27	14	38	56	38	17	"
Shell	420	6	—	574	—	68	—	"
Totals								
Boots	180	38	1	15	2	17	—	214p
Imperial Op.	80	12	108	15	25	11	10	113p
Imperial Op.	90	29	1	35	—	36	—	"
Lorrie	100	21	20	26	—	44	—	"
Lorrie	110	17	12	23	—	84	—	124p
P. & O.	180	10	—	16	2	19	—	"
P. & O.	180	10	—	16	2	19	—	"
P. & O.	180	10	—	16	2	19	—	"
Racal Elec.	280	9	—	22	—	33	20	470p
Racal Elec.	300	82	—	105	10	132	—	"
RITZ	480	55	—	80	1	102	—	"
RITZ	480	55	—	80	1	102	—	"
Totals								







# INTERNATIONAL COMPANIES and FINANCE

## INTERNATIONAL CAPITAL MARKETS

### Greek borrower raises \$125m on better terms

**BY FRANCIS GHILES**

THE Public Power Corporation of Greece is raising a loan of \$125m for eight years on a spread over the London interbank rate of 1 per cent through a joint lead managers of this loan are Chase Manhattan Bank and Nippon Credit Bank.

The management fee is believed to be "reasonable", that is, no less than 1 per cent. Such conditions mark an improvement in the terms on which Greek borrowers can obtain loans in the Euromarkets.

Only two months ago, Greece's National Bank arranged a \$450m loan which carried a spread of 1 per cent but only for five years.

Greek borrowers present two major attractions to international banks. First is the fact that the country has borrowed relatively little by international standards. Last year, Greek borrowers raised \$101m worth of loans in the international capital markets. So far this year, they have raised \$85m.

The second attraction lies in the growing distinction banks are making between prime and second class (usually less developed country) borrowers.

While most less developed countries are having to accept much stiffer terms for their loans than six months ago, most industrial countries, and a handful of LDC countries such as

### \$70m fixed rate EEC bond

**BY OUR EUROMARKETS STAFF**

A \$70m fixed interest rate 15-year Eurodollar bond is being arranged for the European Economic Community through Societe Generale. The borrower is paying a coupon of 11 per cent for the bonds which will be priced at par.

This bond is a "bought deal", which means that the lead manager cannot change the terms during the offering period. Less than two months ago the EEC arranged an 11 per cent bond to 1995 which was trading at 96 1/2 offered yesterday. At this level it yields 11.45 per cent. Initial reaction to the new EEC issue was that the terms were surprisingly out of line with the market.

The secondary market in fixed interest rate Eurobonds was extremely quiet yesterday ahead of the U.S. Federal Reserve Open Market Committee meeting. Prices edged forward by 1 per cent.

A \$30m floating rate note for

## FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices published on the second Monday of each month.

U.S. DOLLARS	Issued	Bid	Offer	Day	Week	Yield
At. of Australia 10 98	100	99 1/2	100 1/2	+	0.1	11.15
Bent. Oxygen 10 98	100	99 1/2	100 1/2	+	0.1	11.15
CECA 12 85	100	99 1/2	100 1/2	+	0.1	11.15
CECA 12 85	100	99 1/2	100 1/2	+	0.1	11.15
CECA 12 85	100	99 1/2	100 1/2	+	0.1	11.15
CECA 12 85	100	99 1/2	100 1/2	+	0.1	11.15
CECA 12 85	100	99 1/2	100 1/2	+	0.1	11.15
CECA 12 85	100	99 1/2	100 1/2	+	0.1	11.15
CECA 12 85	100	99 1/2	100 1/2	+	0.1	11.15
CECA 12 85	100	99 1/2	100 1/2	+	0.1	11.15

DEUTSCHE MARK	Issued	Bid	Offer	Day	Week	Yield
At. of Australia 10 98	100	99 1/2	100 1/2	+	0.1	11.15
Bent. Oxygen 10 98	100	99 1/2	100 1/2	+	0.1	11.15
CECA 12 85	100	99 1/2	100 1/2	+	0.1	11.15
CECA 12 85	100	99 1/2	100 1/2	+	0.1	11.15
CECA 12 85	100	99 1/2	100 1/2	+	0.1	11.15
CECA 12 85	100	99 1/2	100 1/2	+	0.1	11.15
CECA 12 85	100	99 1/2	100 1/2	+	0.1	11.15
CECA 12 85	100	99 1/2	100 1/2	+	0.1	11.15
CECA 12 85	100	99 1/2	100 1/2	+	0.1	11.15
CECA 12 85	100	99 1/2	100 1/2	+	0.1	11.15

YEN STRAIGHTS	Issued	Bid	Offer	Day	Week	Yield
At. of Australia 10 98	100	99 1/2	100 1/2	+	0.1	11.15
Bent. Oxygen 10 98	100	99 1/2	100 1/2	+	0.1	11.15
CECA 12 85	100	99 1/2	100 1/2	+	0.1	11.15
CECA 12 85	100	99 1/2	100 1/2	+	0.1	11.15
CECA 12 85	100	99 1/2	100 1/2	+	0.1	11.15
CECA 12 85	100	99 1/2	100 1/2	+	0.1	11.15
CECA 12 85	100	99 1/2	100 1/2	+	0.1	11.15
CECA 12 85	100	99 1/2	100 1/2	+	0.1	11.15
CECA 12 85	100	99 1/2	100 1/2	+	0.1	11.15
CECA 12 85	100	99 1/2	100 1/2	+	0.1	11.15

## NORTH AMERICAN NEWS

### Decline at NCR but prospects brighter

**By Stewart Fleming in New York**

NCR, a leading computer manufacturer, yesterday reported a dip in second-quarter earnings, but Mr. William S. Anderson, the chairman, reaffirmed his predictions that net income for the year would rise.

Second-quarter net income was \$56.7m or \$2.12 a share, compared with \$58.2m or \$2.23 a share in the particularly strong second quarter of 1979.

The second-quarter figures represent a significant recovery from the 96 cents a share the company earned in the first quarter of the year and Mr. Anderson said that NCR was able to increase its output of several products which had experienced production shortfalls in the first quarter. He added that this should benefit earnings during the remainder of the year.

He added that the company had launched a number of cost-reduction programmes in view of the current economic climate in the U.S.

Sales revenues in the second quarter were \$788m against \$717m in the same period of 1979.

Intel, a major supplier to main frame computer manufacturers such as IBM and NCR, reported a surge in second-quarter earnings from \$18.6m to \$24.8m or \$1.15 a share. The company said that Intel's order backlog was at a record high, but that it was already beginning to see some order cancellations and delivery postponements as a result of the uncertain state of the economy.

Analysis report, for example, that International Business Machines has stretched out delivery dates on 16K ram chips it had ordered from suppliers including Intel.

But Mr. Gordon Moore, chairman and chief executive of Intel, said yesterday that it was too early to assess fully the effect the recession would have on the company.

through the Union Bank of Switzerland. This ten-year issue has a 6 1/2 per cent coupon and is priced at par. Oesterreichische Kontrollbank, which last Friday completed a \$50m dollar-denominated bond, has arranged a SwFr 100m ten year bond through Swiss Bank Corporation. Coupon is 5 1/2 per cent and the bonds have been priced at 98 1/2.

Credit Suisse has arranged a SwFr 100m private placement for Inter-American Development Bank. The bonds carry a coupon of 5 1/2 per cent for six years. The Danish Export Finance Company, meanwhile, has completed a SwFr 50m placement on identical terms with Swiss Volksbank.

In the Euroguilder sector, Westland-Utrecht Hypotheekbank is tapping the market for Fl 60m by a seven-year issue managed by Pierson Holding and Pierson, and with a coupon of 10 1/4 per cent.

### Teledyne turns in fresh gains

**By Our Financial Staff**

EARNINGS continued to move ahead in the second quarter at Teledyne, adding teeth to the forecasts on Wall Street that the full year will show an increase in earnings from \$27.59 a share to around the \$28.75 range.

Teledyne, which manufactures industrial and aero engines as well as machine tools, electronics equipment and consumer products has increased first half earnings from \$17.8m or \$10.36 a share to \$18.6m or \$11.4 a share. Sales are up from \$1.55bn to \$1.58bn.

In the second quarter, earnings rose from \$8.8m to \$9.23 a share to \$9.4m or \$5.95 a share, on sales of \$764.7m against \$689.2m.

In the first quarter of the year, sales gained 10.6 per cent and earnings 6 per cent. Teledyne finds some 36 per cent of earnings from industrial sales and a further 10 per cent from consumer areas. It is feared that both sectors could be held back by the recession now clearly under way in the U.S.

However, the aviation and electronics division (21 per cent of earnings) should show further progress, helped by increased demand from the military aerospace programmes. Similar factors are expected to aid the specialty metals group (33 per cent of earnings).

CONVERTIBLE	Conv.	Conv.	Chg.
At. of Australia 10 98	100	99 1/2	100 1/2
Bent. Oxygen 10 98	100	99 1/2	100 1/2
CECA 12 85	100	99 1/2	100 1/2
CECA 12 85	100	99 1/2	100 1/2
CECA 12 85	100	99 1/2	100 1/2
CECA 12 85	100	99 1/2	100 1/2
CECA 12 85	100	99 1/2	100 1/2
CECA 12 85	100	99 1/2	100 1/2
CECA 12 85	100	99 1/2	100 1/2
CECA 12 85	100	99 1/2	100 1/2

U.S. QUARTERLIES	Second quarter	1980	1979
Net profits	5.6m	5.1m	5.1m
Net per share	1.41	1.14	1.14
Sur. months	10.6m	9.9m	9.9m
Net per share	2.28	2.20	2.20

HARRIS BANCORP	Second quarter	1980	1979
Net profits	10.8m	9.8m	9.8m
Net per share	1.60	1.33	1.33
Six months	18.1m	17.0m	17.0m
Net profits	2.68	2.52	2.52

## International Paper downturn

BY DAVID LASCELLES IN NEW YORK

PROFITS APPEAR to be declining in the U.S. wood products industry, judging by the results from two large companies out yesterday.

International Paper, the largest company in the industry, reported net income of \$77m or \$1.44 a share, down from \$80.9m or \$1.69 a share from the third quarter, we are adjusting production to reflect changing market conditions.

In 1979 the company's sales jumped by 13 per cent, while income from continuing operations rose by 55 per cent to \$7.25 a share. Long-term prospects were boosted at the end of 1979 by the acquisition of

Bodcaw, a forest products company with some 300,000 acres of timberland, for which International paid \$8.5m. This move followed the sale for \$800m of International's oil and gas operations to Mobil.

Mead Corporation, based in Dayton, Ohio, said its second quarter earnings were \$35.9m or \$1.35 a share, down from \$38m or \$1.47 a share. Sales were \$679m, up from \$650.7m. Six months' net income was also down, from \$68.4m or \$2.64 a share, to \$67.2m or \$2.54 a share. Half-year sales were \$1.33bn, up from \$1.27bn.

Mr. J. W. McSwiney, chairman, said the steep decline in

## Charter warns of \$5m loss

BY TERRY BYLAND

THE DOWNTURN in the petroleum market combined with the world oversupply of crude oil has undermined earnings at Charter, the Florida-based group which over the past 12 months has heavily expanded its petroleum refining interests by the acquisitions of Carey Energy and Commonwealth Oil Refining.

In a debenture registration statement filed with the Securities and Exchange Commission, Charter disclosed that it expects results for the second quarter of 1980 to range from break-even to a loss of about \$5m.

In last year's second quarter Charter earned \$3.31 a share and had full-year net earnings of \$368m or \$14.93 a share.

But in the first quarter of this year sales rose more than

100 per cent and earnings by more than 900 per cent, primarily reflecting the inclusion of Carey Energy—whose acquisition increased Charter's refining capacity from 70,000 to 220,000 barrels a day through a 50 per cent interest in a Bahamas refinery.

Charter's statement to the SEC blamed the operating downturn on continuing high prices for crude oil and a "soft" market for refined products. These factors had "severely restricted" profitability at the Bahamas refinery and also made it hard to acquire crude oil economically.

Charter declined to forecast its performance for the next two quarters and the full year. "Circumstances could change tomorrow."

## Second-quarter slip at Safeway

BY OUR FINANCIAL STAFF

EARNINGS AT Safeway Stores have fallen in the second quarter but the board says it is "encouraged" by the improvement over the first three months of the year and "looks forward to a continued improvement" in the second half.

Total net profit for the first half-year now stands at \$50.2m, or \$1.92 a share, compared with \$65.6m, or \$2.51 a share, in the comparable period. Sales, however, have edged forward from \$6.16bn to \$6.61bn. The first

half includes a foreign exchange gain of \$971,000 against a loss of \$386,000.

Earnings for the second quarter dipped from \$42.5m, or \$1.63 a share, to \$37.7m, or \$1.44 a share, with sales at \$3.35bn against \$3.13bn. This quarter takes in a net fire charge of \$5.2m against \$9m in 1979.

The board blames the second quarter profits fall on competitive pressures and higher operating costs. The company currently operates some 2,400

## Caterpillar Tractor earns more

BY OUR NEW YORK CORRESPONDENT

CATERPILLAR TRACTOR, the world's largest manufacturer of earth-moving equipment, has achieved a modest increase in second quarter earnings and confirmed that the weakening U.S. economy has begun to hit sales volumes.

Second quarter net income rose from a corresponding \$165.1m, equal to \$1.91 a share, to \$168.6m or \$1.96 a share. Sales revenues for the second quarter were \$4 per cent higher at \$2.3bn, compared with \$2.1bn in the second quarter of 1979.

This brought net earnings for

the half-year to \$312.5m or \$3.62 a share, compared with \$297.4m or \$3.44 a share in the corresponding period last year, on sales of \$4.42bn, against \$4.06bn previously.

The group said its second quarter sales gain was due to price increases as physical volume declined about 4 per cent from last year's levels. The slight rise in second-quarter earnings was attributed to improvements in operating efficiency and a lower effective income tax rate.


The reduced tax rate resulted

NEW ISSUE

These securities have been offered and sold outside the United States of America

10th July 1980

This announcement appears as a matter of record only



US\$50,000,000

## Hapoalim International N.V.

(Incorporated with limited liability in the Netherlands Antilles)

### Guaranteed Floating Rate Notes 1985

Unconditionally and irrevocably guaranteed as to payment of principal and interest by

## Bank Hapoalim B.M.

(Incorporated with limited liability in Israel)

ISSUE PRICE 100 PER CENT.

The following are the Managing Underwriters of the above issue:

N. M. Rothschild & Sons Limited

Bank Hapoalim B.M.

Banque Rothschild

Bank für Gemeinwirtschaft Aktiengesellschaft

Bear, Stearns & Co.

Rothschild Bank AG



This announcement appears as a matter of record only.

June 1980

**COPEC**

COMPAÑIA DE PETROLEOS DE CHILE S.A.

**US \$15,000,000**

Seven Year Loan

Arranged by

**Arab Latin American Bank**

-ARLABANK-

Provided by

**Arab Latin American Bank**

-ARLABANK-

Banco de Chile

Credit Suisse

European Arab Bank Group

The Royal Bank of Canada (Overseas) N.V.

Agent

**Arab Latin American Bank**

-ARLABANK-



## Companies and Markets

**Volvo Car moves to boost Dutch sales**

By Charles Batchelor in Amsterdam

**VOLVO CAR**, the Dutch subsidiary of the Swedish vehicle group, has cut the sales price of its 340 series by about 10 per cent in the Netherlands to stimulate sales. The company has decided on this move after a 10 per cent downwards revision of its sales forecast for the entire Dutch car market this year.

Volvo Car expects the total market will be only 475,000 cars in 1980, 50,000 fewer than its original estimate. The medium-sized car range, to which the 340 belongs, has been particularly badly hit, it said.

Volvo's market share has remained unchanged 2 per cent but the overall decline in sales has led to an absolute fall in the number of 340s sold. The price of the basic manual three-door model, the 343 Luxe, has been cut by 10 per cent to Fl 15,750 (£3,479) while at the top of the range, the price of the 345 GL, the five-door automatic version, has been cut by 12 per cent to Fl 20,550.

Volvo earlier announced it would cut production levels of its plant at Born by 10,000 cars this year to 82,500. The 340 will account for 74,000 of these and the smaller 66 model for 8,500.

**INTL. COMPANIES & FINANCE****Sue Cameron reports on Rhone-Poulenc's withdrawal from heavy chemicals****Captive oil divides the industry**

**THE DEAL** between Rhone-Poulenc, Elf Aquitaine and British Petroleum highlights that Europe's major chemical companies are now divided into two camps—those with their own oil and those without.

Rhone-Poulenc does not have secure access to oil and gas for use as petrochemical feedstocks. Over the past five or six years it has been pulling out of the heavy, often volatile, commodity chemicals end of the business and concentrating increasingly on more specialised, high value products. Other big European groups are following a similar policy.

Elf Aquitaine and BP, on the other hand, are both oil companies with chemical subsidiaries and both are anxious to upgrade their crude and find secure outlets for their refined products—notably naphtha. Europe's most important petrochemical raw material.

There is considerable agreement within the chemical industry that petrochemicals will increasingly become the preserve of those companies which have oil interests, either in their own right or through their parents.

Ironically, the projected Rhone-Poulenc deal comes at a time when the outlook for base chemicals in Europe is looking

decidedly bleak. Last year, when dramatic increases in naphtha prices followed the Iranian revolution and the subsequent world oil crisis, petrochemical producers were able to raise their product prices for the first time in years. Most of them were able to declare the best profits on base chemicals since 1945.

But after the brief feast has come famine. The recession is now starting to bite, naphtha prices are falling and product prices are dropping in their wake. Demand has slumped—sometimes by as much as 40 per cent.

Rhone-Poulenc's base chemicals accounted for nearly 39 per cent of its total sales of FF33,780m last year. It has a 57.2 per cent share in Naphthachimie, with BP holding the other 43.3 per cent. Despite the good performance of base chemicals generally last year, Naphthachimie achieved only a FF135m profit on a turnover of FF3,535m.

Naphthachimie is now to be reorganised so that BP has a 50 per cent share for which it will pay FF100m. The company also forms part of the deal between Rhone-Poulenc and Elf. A new company is to be set up in which Elf will have an 80 per cent interest and Rhone-Poulenc a little less than 20 per cent.

Rhone-Poulenc's 50 per cent share in Naphthachimie will be given to the new, as yet unnamed, company.

The Naphthachimie chemicals complex is sited some 20 km outside Marseille, close to BP's French refinery. The Naphthachimie plants make a wide range of basic chemicals including ethylene—the so-called building-block of the chemical industry. The site has the capacity to produce 620,000 tonnes a year of ethylene, plus 350,000 tonnes of propylene, 100,000 tonnes of butadiene, 200,000 tonnes of ethylene oxide, 100,000 tonnes of high density polyethylene, 50,000 tonnes of polypropylene and 150,000 tonnes of ethylene glycols.

These chemicals are used in the making of a wide range of products from synthetic rubber and plastic goods to adhesives and industrial solvents.

BP's part of the deal is comparatively minor and seems merely to be designed to ensure that the group maintains control of the Naphthachimie operation. BP Chemicals itself is still swallowing the huge acquisitions it made in 1978 when it spent £220m (\$322m) buying Union Carbide's European chemical

operation and a further £20m on Monsanto's European polystyrene interests.

The most important part of the Rhone-Poulenc project is the sale of the company's chlorine and plastics interests to Elf Aquitaine. These will come under the aegis of the new company.

The divestment of its polymers and chlorine business comes three quarters of the way through Rhone-Poulenc's drastic rationalisation of its loss-making fibres and textiles business.

The group is now placing far more emphasis on such business areas as agrochemicals and pharmaceuticals. The policy of concentrating on high value specialty products has been put into operation by M. Jean Gandois, the chairman and chief executive of Rhone-Poulenc. It seems to be having some success—after several years of poor results, the group's profits rose from FF7,238m in 1978 to FF7,701m (\$1,066m) last year.

Whether Elf will gain as much from the purchase of Rhone-Poulenc's base chemicals areas as Rhone-Poulenc will from the sale of them remains to be seen. Elf is certain to find the market for petrochemicals far from happy.

**Siemens returns to growth path**

BY KEVIN DONE IN FRANKFURT

**SIEMENS** of West Germany, the world's fifth largest electrical and electronics group, has returned to a path of strong growth over the last eight months, having overcome setbacks, particularly those in power station construction caused by the Iranian revolution and the dearth of domestic orders.

The expansion of group turnover by 14 per cent in the eight months to May to DM 19,800m and the rapid growth of new orders by 20 per cent to DM 23,600m has surprised even the company's more optimistic planners.

The pattern of Siemens' growth is heavily marked by the performance of its power station building subsidiary, Kraftwerk Union. The DM 1.5bn order secured earlier this year for the construction of the Atucha 2 nuclear power station in Argentina helped disproportionately to boost the total of new work booked in foreign markets in the eight months.

Without KWU, Siemens' 27 per cent growth in new orders

from abroad is reduced to 12 per cent, the same rate of growth as that achieved in the home market.

There has been a slowing down of new work taken in recent weeks, but with group order books standing at DM 43.2bn at the end of May, there is a large backlog of work to guarantee a steady sales increase in coming months.

Any weakening in domestic economic activity traditionally hits the electrical and electronics industry later than most other sectors and Siemens expects a growth of 10 per cent in both sales and new orders for the current year.

Dr. Bernhard Plettner, the chief executive, said that group turnover should total some DM 31bn in the current year, with the stronger impetus coming from abroad.

Sales in foreign markets account for more than 51 per cent of group turnover and in the first eight months sales abroad jumped by 17 per cent to DM 10.4bn compared with expansion in West Germany of

12 per cent to DM 9.4bn.

Dr. Plettner warned, however, that the group's profitability had not kept pace with the expansion in sales. There could be little question of raising the dividend which for 1978-79 was DM8 per share.

Group after-tax profits rose in the first six months of this year to DM 232m compared with DM 230m but this trend was being reversed in the second half. Competitive pressures had limited Siemens' price increases to an average of only 2 per cent, some areas of computer production were operating at a loss and productivity gains were not sufficient to offset increasing costs.

Talks between Siemens and Grundig, the leading West German producer of televisions, radios and stereos, were still being intensively pursued, said Dr. Plettner, with a primary aim of ensuring Siemens' role as a components supplier.

A Siemens takeover of Grundig at some stage is still possible, however.

**Pessimistic outlook at Flick**

By Roger Boyes in Bonn

**THE FLICK** industrial group, one of West Germany's largest family businesses, has begun the 1980s in a rather muted spirit. The concern has a profitable base in an important share in several markets, but most of its subsidiaries are beleaguered by soaring costs and depressed demand.

Dr. Friedrich Karl Flick, the group chairman, said yesterday that he was satisfied on the whole with Flick's performance last year. Sales of the consolidated companies rose by 14.8 per cent to DM 8,700m (\$4,900m) during 1979 and net profits improved from DM 780m to DM 820m (\$470m) after operating profits had risen from DM 520m to DM 594m.

In the first half of 1980, meanwhile, sales amounted to DM 4,300m or about 1 per cent more than in the first six months of 1979. This low growth rate partly reflected a decline in defence business and if that sector is excluded, sales increased by 11 per cent. But, said Dr. Flick, "according to the sales plans of our companies, including the defence business, it might be possible that we will not achieve a sales increase in 1980 at all." He was "even more conservative" about prospective earnings.

Nonetheless, Flick is not confronted with unique problems. An analysis of its constituent companies points up some: ● The Buderus group pushed up sales by 14 per cent to DM 4,300m in 1979 thanks partly to demand for heating equipment, household appliances and galley for aeroplanes. The defence specialist, Krauss Maffei, a member of the Buderus group, boosted sales to DM 2bn. But much of Buderus' continuing success depends on the construction and motor industries, both of which are cooling off. At the same time Krauss Maffei's military sales, which have always fluctuated dramatically, are down.

● Dynamit Nobel, the chemicals, plastics and explosives concern, saw sales rise by 21 per cent to DM 2,500m last year and by 11 per cent in the first half of 1980. The plastics division is profiting from high capital spending in Germany, but the chemical and fibre raw materials sales saw lower growth.

● Feldmühle, the paper manufacturer, saw sales last year rise by 8 per cent to DM 1,800m and sales also increased by 8 per cent in the first six months of this year.

Some of the most profitable of Flick interests are two U.S. affiliates, W. R. Grace, the chemical and fertiliser producer in which Flick has a 28.6 per cent stake, and U.S. Filtac Corporation, an energy engineering concern, in which the German company has a 34.5 per cent share.

**Esselte to push for expansion**

BY WESTERLY CHRISTNER IN STOCKHOLM

**ESSELTE**, the Swedish office supply, graphics and packaging group, can once again go on the offensive after a year of consolidation in 1978-79. Mr. Sven Wallgren, the managing director, says in the company's annual report.

Esselte reported pre-tax earnings of SKr 305m (\$73.5m) in the year to March 31, ahead by SKr 74m and surpassing its earlier forecasts. Consolidated sales amounted to SKr 4.1bn (\$987m), up by 19 per cent.

The reorganisation of the company was completed at the beginning of 1980 when Esselte opened its London group headquarters. This man-

ages the business systems group, which embraces the dominating part of Esselte's international operations which manufactures and sells office appliances.

Business systems is the largest operating unit within the Esselte group, accounting for sales of SKr 2.4bn in 1979-1980 and contributing SKr 286m to group trading profits of SKr 492m. It is the business area, to which Esselte "must look for volume growth."

Market shares for the Business Systems products were "still modest in most countries and the growth potential is thus

substantial," Mr. Wallgren says.

Mr. Wallgren defines the group's main problem area as its graphic industry operations, adding that "this branch has, in the last decade, been marked by overcapacity and weak growth. Development of productivity has as a whole, been low."

For 1980-81 group sales are expected to reach around SKr 4.7bn, an increase of 15 per cent. There are too many uncertain factors to make a precise profit forecast for the year, but the result should be further improved "and the return on capital remain good."

**Far Eastern unit for Dutch paper group**

By Our Amsterdam Correspondent

**DUTCH** paper, packaging and trading group Buehrmann-Tetterode, has set up a subsidiary, Tetterode-Singapore, to maintain sales and servicing for its graphic machinery division in Singapore and Malaysia. BT was previously represented by a local agent.

Mr. A. W. Overwater, BT's chairman, said earlier this year that the Far East was one of the areas where the company planned to develop new markets during the 1980s.

BT has forecast a considerable improvement this year on the Fl 41.3m (\$22m) net profit recorded in 1979.

**Mobil Germany reports downturn in earnings**

BY OUR FINANCIAL STAFF

**PROFITS** of Mobil Oil AG, the West German unit of Mobil of the U.S., are turning down this year having advanced by 90 per cent to DM 305m at the net level for 1979.

The German company is "finding it impossible" to pass on fully to customers increases in crude oil prices and as a result has dipped into the red on its oil business in certain months of this year.

However, the company plans to maintain a high level of capital spending, investing more than DM 300m this year, including DM 210m on oil and gas exploration and around DM 90m on improving its processing

plant. It invested DM 233m in 1979.

Describing last year's result as satisfactory, Mobil AG said the crude oil shortage caused in West Germany by the Iranian crisis led to higher prices and improved profit margins. Supplies from the parent company allowed Mobil AG to avoid purchases on the "expensive" spot market.

The company also benefited from relatively cheap Saudi Arabian oil accounting for 25 per cent of its total crude supplies. Mobil AG was able to raise sales of higher-earning light petroleum products at the expense of heavy products.

**International Basic Economy Corporation**

and a wholly-owned subsidiary of

**Booker McConnell Limited**

have merged to form

**IBEC Inc.**

a company engaged in international agribusiness

The undersigned acted as financial advisor to International Basic Economy Corporation in this transaction.

**Lehman Brothers Kuhn Loeb**

Incorporated

NEW YORK • ATLANTA • BOSTON • CHICAGO • DALLAS  
HOUSTON • LOS ANGELES • SAN FRANCISCO • LONDON • TOKYO

July 2, 1980

**UNION DE BANQUES ARABES ET FRANCAISES — U.B.A.F.**

U.S.\$65,000,000 Floating Rate Notes 1980-1990

In accordance with the conditions of the Notes notice is hereby given that for the six-month period 9th July 1980 to 9th January 1981 (184 days) the Notes will carry an interest rate of 9 3/4% p.a.

Relevant interest payments will be as follows:

Notes of \$1,000 U.S.\$49.83

CREDIT LYONNAIS, Luxembourg  
Fiscal Agent**C.V.G. Siderurgica del Orinoco C.A. (Sidor)**

(Incorporated with limited liability in the Republic of Venezuela)

U.S.\$50,000,000

FLOATING RATE NOTES DUE 1984-1989

In accordance with the terms and conditions of the Notes and the provisions of the Agent Bank Agreement between C.V.G. Siderurgica del Orinoco C.A. (Sidor) and Citibank, N.A., dated July 2, 1980, notice is hereby given that the Rate of Interest for the initial interest period, which shall be 9 3/4% per annum and that the interest payable on the relevant interest payment date, January 9, 1981, against Coupon No. 1 in respect of U.S.\$50,000,000 nominal amount of the Notes will be stepped (184) divided by 360.

July 10, 1980  
By: Citibank, N.A.,  
London, Agent Bank

CITIBANK



# Amatil increases dividend despite pre-tax profit fall

By James Forth in Sydney

AMATIL, THE food, packaging and cigarette group in which the UK group, BAT Industries, holds almost 40 per cent, has raised its dividend despite lower pre-tax earnings in the April half-year. The directors forecast that pre-tax profits for the full year will be higher than in 1979-80, but that with the removal of the trading stock valuation adjustment a cut in investment allowance would prevent this being reflected in the after-tax earnings.

The interim dividend is increased to 10 cents a share from 9 cents. A sharp reduction in the tax bill for the April half, from A\$12.5m to A\$6.5m, enabled the group to report a fractional increase in net profit for the six months of 0.8 per cent to A\$15.28m (US\$17.7m), from A\$15.19m in the same period of 1978-79.

The lower tax bill in the first half was influenced by tax losses in the frozen vegetables division. The directors said that the tobacco division improved and the soft drinks division overcame strong price competition and a lack of industry growth to turn in a "highly satisfactory" result. The snack foods division also overcame early difficulties in the form of industrial problems, and a cost squeeze to maintain its "excellent results".

Turnover fell by 4.9 per cent to A\$552.40m (US\$639m), from A\$570.50m.

## Downturn for S.A. insurer

By Jim Jones in Johannesburg

NEW ZEALAND Insurance (South Africa), or NZISA, the unquoted South African insurance company which is 70 per cent-owned by its New Zealand Insurance, and 30 per cent by Standard Bank Investment Corporation, was held back by an increasingly competitive short-term insurance market during the year to March 31 1980.

Although the company received R15.9m (\$31m) of short-term premiums during the year, short-term insurance profits were halved to R70,200 (\$92,368) before tax. Life assurance operations resulted in a transfer of R50,000 (\$30,000 in 1979) from the life assurance revenue account to the income statement. More than offsetting this however, the company recorded an increase in pre-tax investment income to R721,300 (\$594,200 in 1979). After tax, the operating profit fell to R653,100 (\$726,000 in 1979).

Mr. W. T. Passmore, chairman, said that traditionally profitable domestic insurance lines were badly affected by an upsurge in theft, fire and storm losses in the March quarter. He warned that unless the industry restores a better balance between premium income and liabilities assumed, insolvency margins could be impaired.

NZISA has concentrated on improving its financial strength while at the same time its total dividend payout was increased to R270,000 (\$210,000 in 1979).

## Hume Far East restructures

By George Lee in Singapore

HUME INDUSTRIES (Far East), a member of the Hume group of Australia, plans a major restructuring of its activities in Singapore and Malaysia. Under the plans, which have already been approved by the Malaysian authorities, Hume Industries (Far East) will transfer its shareholding in its wholly-owned Singapore subsidiary, Hume Industries (Singapore) (HIS), to its Malaysian subsidiary, Hume Industries Malaysia (HIM).

Hume Industries Malaysia will issue 14,43m new shares of 1 ringgit par value each to Hume Industries (Far East) for the acquisition of the 20m shares in HIS. The share swap will be based on a value of 1.53 ringgit per share for HIM and \$11.10 per share for HIS.

At the same time, HIM has proposed a rights issue of one share for every two held at an issue price of 1.30 ringgit per share. The shares issued to Hume Industries (Far East) under the share swap scheme will not qualify for the rights issue, which will raise some 22.5m ringgit (US\$10.5m) for HIM to finance its expansion plans.

On completion of the scheme and rights issue, Hume Industries (Far East)'s stake in HIM will rise from 62.7 per cent to 79.9 per cent. However, Hume

Industries (Far East) has given an undertaking to the Malaysian authorities to transfer some of its shares in HIM to Bumiputera (Indigenous) interests in 1983 in order to raise Bumiputera participation in HIM from the existing 22.5 per cent to 30 per cent in recognition of approval being given for HIM's proposed expansion programme, which will cost some 50m ringgit.

Hume is largely involved in the manufacture of building materials in Singapore and Malaysia.

It is thought likely here that Hume will eventually replace the manufacture of traditional building products in Singapore with higher value added manufacturing activities, in line with the Singapore Government's economic policy.

## Israeli builder advances

By L. Daniel in Tel Aviv

SOLEL BONEH, Israel's largest construction company, which is controlled by the Labour Federation but also traded on the Tel Aviv Stock Exchange, reports that it executed \$378m worth of work abroad in 1979, representing an increase of 3 per cent in real terms from 1978.

Operations outside Israel accounted for 41 per cent of the overall activity of Solel Boneh and its dozens of wholly or partly-owned subsidiaries. The balance sheet total for the group reached I£23.6bn in 1979, to show an increase of 108 per cent. Despite higher financing costs, gross profit last year rose to I£3.5bn (\$70m), or 18 per cent

of income, as compared with 16 per cent in 1978. Net profit increased by 290 per cent to I£1.8bn.

The company will distribute bonus shares at the rate of 20 per cent on its ordinary preferred shares, compared with 10 per cent in 1978.

## Palm oil refinery for Sime

By Wong Sulong in Kuala Lumpur

SIME DARBY, the Malaysian conglomerate, has acquired the assets of Glychem Singapore Private, a palm oil refining company in receivership, for \$39.2m (US\$4.3m).

A new company, Sime Darby Oleochemicals (SDOL) has been formed to take over the assets and operations of Glychem. SDOL will operate under Sime's commodity trading and processing division.

SDOL will concentrate on the production of stearic acid and glycerine, using acid oils from Sime's two oil palm refineries in Singapore and Johore. The Glychem plant is the only factory in south-east Asia producing glycerine, which is used as a moisturiser in cosmetics, and in food and pharmaceutical manufacture.

Sime said the Singapore Government has granted "pioneer status" to SDOL from August, entitling it to some generous tax incentives.

Mr. James Cott, Sime's chief executive, said the group plans to invest \$81.5m on immediate improvement to the plant, and a further \$82.5m to expand SDOL's distillation capacity.

"World demand for stearic acid and glycerine is growing strongly and we expect to find good markets in the industrialised countries and in Asia," he said.

July 10, 1980  
By Citibank, N.A., London, Agent Bank

**CITICORP**

**CREDIT COMMERCIAL DE FRANCE**

**U.S. \$35,000,000 Floating Rate Notes 1977-1983**

For the six months 10th July, 1980 to 12th January, 1981 the Notes will carry an interest rate of 9 3/4 per annum.

Listed on the Luxembourg Stock Exchange.

By: Morgan Guaranty Trust Company of New York, London Agent Bank

Weekly net asset value on July 7 1980

**Tokyo Pacific Holdings N.V.**  
U.S. \$80.64

**Tokyo Pacific Holdings (Seaboard) N.V.**  
U.S. \$58.75

Listed on the Amsterdam Stock Exchange

Information: Piersen, Holdings & Piersen N.V., Harenstraat 214, Amsterdam

**VONTBEL EUROBOND INDICES**  
145.76=100%

PRICE INDEX 8.70 1.780  
DM Bonds 36.38 86.52  
HFL Bonds & Notes 33.55 33.50  
U.S. & Swiss Bonds 31.31 31.38  
Can. Dollar Bonds 32.15 82.04

AVERAGE YIELD 8.70 1.780  
DM Bonds 8.288 8.250  
HFL Bonds & Notes 9.736 9.720  
U.S. & Swiss Bonds 10.584 10.571  
Can. Dollar Bonds 11.271 11.301

\* Not seasonally adjusted.

## APPOINTMENTS

# Chief executive for Spillers Foods

Mr. Charles Auld has been appointed chief executive, SPILLERS FOODS and joins the company in September. He is at present general manager, U.K. Ice Creams, Broomfield Group. He succeeds Mr. Geoffrey John, who was appointed chief executive, Dalgety Spillers Foods in March.

Dr. Andreas R. Prindl has been appointed executive director of SAUDI INTERNATIONAL BANK (AI-Bank Al-Saudi Al-Ahli) succeeding Mr. Edgar C. Felton. Dr. Prindl, who was seconded to Saudi International Bank by Morgan Guaranty Trust Company on April 1, 1980, previously had been vice-president and general manager of Morgan Guaranty's Tokyo office. Mr. Felton, who is returning to Morgan Guaranty headquarters in New York, was executive director of Saudi International Bank since it was established in 1975 and will continue his association with the bank as an alternate director. He has been elected a senior vice-president of Morgan Guaranty International Finance Corporation and assigned responsibility for the investments held by that subsidiary in Europe, the Middle East and Africa.

Mr. Royston G. Hine has been appointed to the board of THOMAS BORTHWICK AND SONS.

Mr. W. E. Bennington has been appointed a director of BRADSTOCK BLUNT (N.L.).

From October 1 Mr. D. J. Youngman, personnel and legal director, will become group managing director of COATES BROTHERS AND CO. He will also assume responsibility for group planning.

Mr. David Gault, chairman of Gallic Shipping, Mr. Eldon Griffiths, Mr. Frank Narby, chairman of Intersect S.A., Mr. Peter Twiss, president of Intersect S.A. and Mr. Donald Webster, president of Helix Investments, have been elected directors of EURO-CANADIAN SHIPPING INVESTMENT. This company has been established in the UK to provide investment, advisory and management services for Euro-canadian shipholdings, the parent company of the Cast Group.

Mr. Michael Butler, and Mr. Trevor Fairhurst have been appointed senior executive officers of EURO-CANADIAN SHIPPING INVESTMENT, a subsidiary of Euro-canadian Shipholdings. Mr. Butler was previously a senior treasury board

official in Ottawa, Canada. Mr. Fairhurst was formerly a director of P and O Bulk Shipping and subsequently with Dolphin Investments.

Mr. Ronald F. Francis has been appointed the BRITISH GAS CORPORATION'S central controller, responsible for operational management of the main transmission pipeline.

Dr. Ray Stanbridge has been appointed financial director of W. HERMANS AND SON. He will also have special responsibility for business planning and development.

At the annual meeting of the INSTITUTE OF ACTUARIES held on Monday June 30 the following were elected to membership of the Council: Mr. S. Benjamin, Mr. F. E. Gaschi, Mr. P. D. Jones, Mr. P. J. Tarvey and Mr. J. H. Webb.

Mr. Peter Rosewell has been appointed divisional chief accountant of SHOWERINGS, VINE PRODUCE AND WHITEWAYS, the wine spirits and soft drinks division of Allied Breweries.

Mr. Brian Garner has been appointed managing director of PYRENE CHEMICAL SERVICES, a member of Brent Chemicals International Group, in succession to Mr. Don James, who has become executive chairman.

The Prime Minister has re-appointed Lord Boyle of Handsworth as a trustee of the BRITISH MUSEUM on the expiry of his term of office.

Mr. George N. Donaldson has been elected chairman of the TIMBER RESEARCH AND DEVELOPMENT ASSOCIATION having served as vice-chairman for the past two years. He is chairman and managing director of James Donaldson and Son and chairman of the Scottish Timber Trade Association. Mr. Richard Carr, chairman of the Sandell Perkins group, has been elected vice-chairman of TRADA.

Mr. Joe Boyce, deputy general manager of TELFORD DEVELOPMENT CORPORATION, will become general manager from October 1.

Dr. J. M. Butler, chief executive of McKee Brothers, has been elected president of the BRITISH NON-FERROUS METALS FEDERATION for the year 1980-81. He succeeds Mr. M. A. Bastlow, director of Glynwed. The following vice-presidents have also been

elected: Mr. D. V. Ayres, Mr. D. H. Booth, Mr. R. W. Fordham and Mr. A. W. Gibbins. Mr. A. W. Gibbins also continues to be the federation's treasurer.

Mr. T. B. Langton has resigned from the Boards of DEVITT LANGTON AND DAWNEY DAY AND NEACOCK SAMUELSON AND DEVITT (REINSURANCE BROKERS).

Mr. William Ramsden has been appointed director and general manager of RANK TAYLOR HOBSON, Leicester, while the new general manager of RANK HILGER is Mr. Kenneth P. Rippon. Both companies are part of the Rank Organisation.

TUSCAN ENGINEERING CO. has appointed Dr. P. C. Molloy as managing director, on the retirement of Mr. Eric Powell. Mr. Norman Williams, previously chief engineer, has been appointed to the Board as technical director.

FOSTER WHEELER has made the following appointments: Mr. J. T. Kelley, previously vice-president of project operations, FOSTER WHEELER ENERGY Corporation, Livingston, New Jersey, U.S.A., before being elected a director of FOSTER WHEELER last year, is appointed deputy chairman and general manager. Other appointments are: Mr. E. D. Hibbert (deputy general manager); Mr. J. A. Bunn (director, fired heater division); Mr. J. G. Lucas (director, contract operations).

Mr. Erle Walters has been appointed managing director of CC SOFT DRINKS, the holding company for Coca-Cola Southern Bottlers and a director of Cantrell and Cochrane (GB). He succeeds Dr. A. J. Lister who will resign from the Board of CC Soft Drinks and Coca-Cola Southern Bottlers on September 30. Mr. Colin Barclay is promoted to sales and marketing director of Coca-Cola Southern Bottlers. Until now managing director of Cantrell and Cochrane, Mr. Barclay remains on the Cantrell and Cochrane Board. Mr. Percy Allen, director of manufacturing operations for Coca-Cola Southern Bottlers, also becomes chairman and managing director of Cantrell and Cochrane (GB). Mr. Ken Gillespie becomes planning and distribution director for Coca-Cola Southern Bottlers and stays a director of Cantrell and Cochrane (GB). He has responsibility for corporate planning and physical distribution.

Mr. Des Good has been appointed managing director of

Two directors have been appointed to the newly-formed company, MILLER BUCKLEY S.D. They are Mr. G. N. B. Longe and Mr. D. J. Page. Mr. B. E. Reading has been appointed chairman Mr. Longe will take on his new responsibilities to Miller Buckley S.D. in addition to his present appointment of marketing manager of Miller Buckley Construction. Mr. Page will be a director and executive manager of Miller Buckley S.D.

Mr. E. Arabadach has been appointed chairman of IRAN OVERSEAS INVESTMENT BANK and Mr. S. A. Taheri, managing director.

At the London branch of FIRST PENNSYLVANIA BANK, Mr. Wilson J. C. Brann has been promoted to vice president and Mr. Edward J. Hodgson has been elected assistant vice president.

All these units having been sold this announcement appears as a matter of record only and does not constitute an invitation to purchase units



## JF Japan Smaller Company Trust

Has issued units to the value of  
**Y5,000,000,000**

Comprising  
**500,000 units at Y10,000**

The Fund is managed by

**JARDINE FLEMING INTERNATIONAL LIMITED**

The Managers do not intend to issue any further units at this stage

June 1980

## A FINANCIAL TIMES SURVEY



The Financial Times proposes to publish a Survey on Gold in its edition of July 30. The provisional editorial synopsis is set out below:

**INTRODUCTION** In the past few months there have been wild gyrations in the gold price with a peak of \$355 reached in late January. Concern about the dollar and inflation in the U.S. helped to push the price up, but it fell back as high interest rates made money investments more attractive. An analysis of the price development including the relationship of the gold price to other metals, especially silver.

**THE OUTLOOK FOR SUPPLY**  
**TRADE DEMAND**  
**GOLD, THE IMF AND THE EMS**

**GOLD AND THE CENTRAL BANKS**  
**GOLD AND THE INVESTOR**  
**THE MAIN MARKETS AND THEIR PARTICIPANTS**

For further information and advertising rates please contact:

Alexander Muir  
Financial Times, Bracken House, 10 Cannon Street, London EC4P 4BY  
Telephone: 01-248 8000 Ext. 606 - Telex: 885033 FINTIM G

**FINANCIAL TIMES**  
**EUROPE'S BUSINESS NEWSPAPER**

The contents, size and publication dates of Surveys in the Financial Times are subject to change at the discretion of the Editor

## UK ECONOMIC INDICATORS

**ECONOMIC ACTIVITY**—Indices of industrial production, manufacturing output (1975=100); engineering orders (1975=100); retail sales volume (1975=100); retail sales value (1975=100); construction output (1975=100); school leavers (1975=100); all seasonally adjusted.

	Ind. prod.	Mfg. output	Eng. orders	Retail sales	Value	Unempl.	Vacs.
1979							
1st qtr.	110.4	102.6	98	100.7	124.0	1.351	224
2nd qtr.	114.9	107.1	107	106.2	144.5	1.269	256
3rd qtr.	112.1	103.9	99	101.7	151.9	1.286	230
4th qtr.	112.0	103.7	104	101.7	153.1	1.294	219
Dec.							
1980							
1st qtr.	119.2	106.5	97	103.2	157.8	1.279	193
Jan.	111.5	102.2	87	103.1	155.5	1.239	207
Feb.	110.2	100.9	88	103.9	159.4	1.283	191
March	108.9	98.4	106	102.3	161.0	1.458	169
April	108.2	99.9		100.6	160.2	1.484	163
May						1.534	147
June							

**OUTPUT**—By market sector: consumer goods, investment goods, intermediate goods (materials and fuels); engineering output, metal manufacture, textiles, leather and clothing (1975=100); housing starts (000s, monthly average).

	Consumer goods	Invest. goods	Intmd. goods	Eng. output	Metal mfg.	Textile mfg.	Housg. starts
1979							
1st qtr.	105.9	99.2	127.0	98.8	98.4	100.0	12.9
2nd qtr.	108.6	102.9	133.1	102.7	110.0	103.0	21.3
3rd qtr.	105.8	96.2	132.2	95.0	106.6	100.0	19.9
4th qtr.	104.9	101.2	128.7	99.2	102.6	95.8	18.1
Dec.	105.0	103.0	128.0	101.0	100.0	98.0	15.0
1980							
1st qtr.	103.9	101.2	124.9	99.0	63.1	91.6	12.3
Jan.	106.0	102.0	127.0	101.0	65.0	94.0	13.2
Feb.	104.0	103.0	124.0	100.0	59.0	91.0	11.4
March	102.0	99.0	124.0	96.0	65.0	88.0	12.3
April	102.0	101.0	122.0	97.0	35.0	89.0	15.0
May							17.0

**EXTERNAL TRADE**—Indices of export and import volume (1975=100); visible balance; current balance (£m); oil balance (£m); terms of trade (1975=100); exchange reserves.

	Export volume	Import volume	Visible balance	Current balance	Oil balance	Terms Resv.
1979						
1st qtr.	100.0	116.9	-1,588	-1,215	-235	197.0
2nd qtr.	135.3	129.9	-496	-31.0	-229	160.4
3rd qtr.	129.8	128.1	-493	-238	-158	106.8
4th qtr.	129.3	123.9	-745	-674	-157	103.7
Dec.	131.3	131.2	-232	-229	+ 88	102.6
1980						
1st qtr.	131.3	126.5	-723	-417	-126	100.7
Jan.	129.8	128.0	-315	-213	-76	100.9
Feb.	136.5	128.9	-232	-130	-45	100.6
March	127.7	127.7	-176	-74	-5	100.6
April	127.2	127.6	-264	-214	-4	101.8
May	130.2	121.4	-18	+ 32	-10	102.0
June						28.17

**FINANCIAL**—Money supply M1 and sterling M3, bank advances in sterling to the private sector (three months' growth at annual rate); domestic credit expansion (£m); building societies' net inflow; HP, new credit; all seasonally adjusted. Minimum lending rate, (end period).

	M1 %	M3 %	Advances %	DCE %	BS %	HP %	MLR %
1979							
1st qtr.	7.6	9.3	22.5	+1,525	777	1,581	13
2nd qtr.	9.7	17.2	28.5	+2,707	777	1,687	14
3rd qtr.	15.5	16.2	13.2	+2,409	933	1,879	14
4th qtr.	5.1	12.6	16.2	+250	161	593	17
Dec.							
1980							
1st qtr.	-6.9	3.1	22.6	+738	235	668	17
Jan.	-6.7	6.1	20.7	+372	199	665	17
Feb.	-2.3	7.5	25.4	+705	200	641	17
March	-3.4	4.8	15.5	+678	266	676	17
April	4.0	11.4	21.9	+1,122	225	621	17
May							
June							

**INFLATION**—Indices of earnings (Jan. 1976=100); basic materials and fuels, wholesale prices of manufactured products (1975=100); retail prices and food prices (1974=100); FT commodity index (July 1952=100); trade weighted value of sterling (Dec. 1971=100).





Wouldn't you protest if Shell ran  
a pipeline through this beautiful countryside?

They already have!



Tom Allen,  
Shell Hordiculturalist

"When Shell proposed  
a pipeline from the  
North East coast of  
Anglesey to Stanlow refinery, seventy eight miles  
away in industrial Cheshire, people were worried.

The line would run through part of the  
Snowdonia National Park and have to pass under  
rivers Conwy, Elwy, Clwyd and Dee.

What scars would remain?

It is five years since the line was laid, and

as I fly along the route today, even I can see no  
sign of it.

On the ground, the course of the pipe can  
be followed by a series of small unobtrusive  
markers. Apart from these, there is nothing to  
tell you that the top of a pipeline runs one metre  
beneath your feet.

The sheer invisibility of the line surprises  
visitors but not me. I was responsible for  
re-instating the land and well know what unprece-  
dented lengths we went to. Every foot of the way was

photographed before digging started, and the  
vegetation restored the way the record showed it...  
even to the exact varieties of grass.

Sometimes, I agreed deviations in the line  
to avoid disturbing rare trees. In addition, a team  
of archaeologists preceded pipeline contractors  
to make sure that the route would avoid cromlechs,  
barrows, earthworks and other historical sites.

We are proud of the result, and it shows the  
way for other conservation projects."

You can be sure of Shell





## £ and \$ quiet

Trading was quiet in currency markets yesterday, with sterling and the dollar showing little overall change. There was some nervousness ahead of the U.S. Federal Reserve open market committee meeting, with the market expecting a further easing of interest rates after the meeting. As a result, there was little business seen, and the dollar finished at DM 1.7410 against the D-mark, compared with DM 1.7405 on Tuesday, and SwFr 1.5950 against SwFr 1.5915 in terms of the Swiss franc. In terms of the U.S. unit finished at ¥219.15 against ¥219.05 previously. On Bank of England figures, the dollar's trading weighted index remained at 82.3.

Starling was also unchanged on a trade-weighted basis, with its closing index at 74.4, the same as on Tuesday. At noon, however, it was slightly lower at 74.3, the same level as in the morning. Against the dollar it opened at £2.3725 and rose on demand around mid-day, to a high of £2.3820. It came back later in the day as the dollar probably received a small amount of central bank support. Sterling closed at £2.3725-2.3735, a fall of just 5 points from Tuesday's close.

D-MARK — Slightly weaker within the European Monetary System recently, but showing a firmer tendency against the dollar following a sharp narrowing of the euro-currency rate differential. There was no intervention by the Bundesbank at yesterday's fixing in Frankfurt, when the dollar was fixed higher at DM 1.7363 against DM 1.7327 on Tuesday. Trading was fairly quiet ahead of the Federal open market committee, with some nervousness suggesting a further decrease in U.S. interest rates.

**FRENCH FRANC** — Still the strongest currency within the EMS, in spite of a rising inflation rate and worsening balance of payments position. The French franc was unchanged on balance against its EMS partners at yesterday's fixing in Paris, with the D-mark lower at FF 74.94 per Dkr 100 from FF 75.01. On the other hand the Dutch guilder improved to FF 2.2225 from FF 2.1197 and the Belgian franc was higher at FF 14.4920 per Bfr 100 against FF 14.4795. Outside the EMS sterling was lower at FF 9.571 from FF 9.5795, but the dollar rose to FF 4.0320 from FF 4.0275.

**DANISH KRONE** — Showing a steadier tendency within the EMS recently, having suffered two devaluations in 1979. The Danish krone was slightly weaker yesterday in Copenhagen, but maintained its position within the EMS. The D-mark fell to Dkr 3.0090 from Dkr 3.0105 and the French franc was lower at Dkr 1.3380 against Dkr 1.3360. On the other side the Belgian franc rose to Dkr 19.36 per Dkr 100 from Dkr 19.34 and the Dutch guilder to Dkr 2.8340 from Dkr 2.8290. Outside the EMS sterling fell to Dkr 12.7705 from Dkr 12.7870, while the dollar rose to Dkr 5.3785 from Dkr 5.3760.

**JAPANESE YEN** — Steady in recent weeks, after showing a marked recovery on the downward trend in U.S. interest rates. Last year fears about energy supplies and balance of payments problems severely depressed the currency. The dollar was slightly firmer against the yen in Tokyo yesterday, closing at ¥219.00 compared with an opening level of ¥218.30, and Tuesday's close of ¥218.35.

## EMS EUROPEAN CURRENCY UNIT RATES

ECU	Current rate	% change from central rate	% change from divergence	Divergence limit %
Belgian Franc	39.7387	+0.2890	+1.20	+1.53
Danish Krone	7.72238	-7.78454	+0.79	+1.54
German D-Mark	2.48208	-2.51407	+1.29	+1.25
French Franc	2.48208	-2.51407	+1.29	+1.25
Dutch Guilder	2.48208	-2.51407	+1.29	+1.25
Irish Punt	0.68201	-0.68202	+0.16	+1.58
Italian Lira	1197.79	-1199.78	+3.63	+4.08

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

## EXCHANGE CROSS RATES

July 9	£/Sterling	U.S. Dollar	Deutschmark	Japanese Yen	French Franc	Swiss Franc	Dutch Guilder	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1	2.3725	1.185	518.0	4.041	3.768	1.905	1.987	2.716	66.30
U.S. Dollar	0.421	1	0.478	1.936	0.242	0.196	0.104	0.005	0.005	0.005
Deutschmark	0.844	0.874	1	185.5	0.242	0.196	0.104	0.005	0.005	0.005
Japanese Yen	248.2	248.2	248.2	1	248.2	248.2	248.2	248.2	248.2	248.2
French Franc	0.242	0.242	0.242	0.242	1	0.242	0.242	0.242	0.242	0.242
Swiss Franc	0.242	0.242	0.242	0.242	0.242	1	0.242	0.242	0.242	0.242
Dutch Guilder	0.242	0.242	0.242	0.242	0.242	0.242	1	0.242	0.242	0.242
Italian Lira	0.242	0.242	0.242	0.242	0.242	0.242	0.242	1	0.242	0.242
Canada Dollar	0.242	0.242	0.242	0.242	0.242	0.242	0.242	0.242	1	0.242
Belgian Franc	0.242	0.242	0.242	0.242	0.242	0.242	0.242	0.242	0.242	1

## FT LONDON INTERBANK FIXING (11.00 a.m. JULY 9)

3 month U.S. dollars	6 month U.S. dollars
bid 9 offer 9 1/4	bid 9 1/4 offer 9 3/4

## EURO-CURRENCY INTEREST RATES (Market Closing Rates)

July 9	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	West German Mark	French Franc	Italian Lira	Asian \$	Japanese Yen
3 months	10 1/2-11 1/2	10 1/2-11 1/2	10 1/2-11 1/2	10 1/2-11 1/2	10 1/2-11 1/2	10 1/2-11 1/2	10 1/2-11 1/2	10 1/2-11 1/2	10 1/2-11 1/2	10 1/2-11 1/2
6 months	10 1/2-11 1/2	10 1/2-11 1/2	10 1/2-11 1/2	10 1/2-11 1/2	10 1/2-11 1/2	10 1/2-11 1/2	10 1/2-11 1/2	10 1/2-11 1/2	10 1/2-11 1/2	10 1/2-11 1/2
12 months	10 1/2-11 1/2	10 1/2-11 1/2	10 1/2-11 1/2	10 1/2-11 1/2	10 1/2-11 1/2	10 1/2-11 1/2	10 1/2-11 1/2	10 1/2-11 1/2	10 1/2-11 1/2	10 1/2-11 1/2

Long-term Eurodollar two years 10 1/2-11 1/2 per cent; three years 10 1/2-11 1/2 per cent; four years 10 1/2-11 1/2 per cent; five years 11 1/2-12 1/2 per cent; nominal closing rate. Short-term rates are call for sterling, U.S. dollars, Canadian dollars and Japanese yen; others two days' notice. Asian rates are closing rates in Singapore. The following rates were quoted for London dollar certificates of deposits one-month 8.50-9.00 per cent; three-months 9.00-9.50 per cent; six-months 9.50-10.00 per cent; one year 9.50-10.00 per cent.

## INTERNATIONAL MONEY MARKET

## Dutch rates ease

Short-term interest rates showed a weaker trend in the Netherlands yesterday, leading to speculation that the Dutch central bank may cut its discount rate in the near future. The speculation has increased due to the continued strength of the guilder within the European Monetary System, particularly against the D-mark. At the same time the downward trend in U.S. rates has encouraged the market to look for a reduction in Dutch interest levels.

The decline of the D-mark against the guilder may have led to some intervention by the Netherlands National Bank to support the German currency and replenish central bank reserves.

Dutch call money was quoted at 10 1/2-10 3/4 per cent yesterday, compared with 10 1/2-10 3/4 per cent on Tuesday, while one-month was unchanged at 10 1/2-10 3/4 per cent, and six-months fell to 10 1/2-10 3/4 per cent from 10 1/2-10 3/4 per cent.

At the beginning of the week Dutch banks were overdrawn by Fr 3.5bn, with the authorities, compared with Fr 13.4bn the previous week. The commercial banks had used about 37 per cent of their quota with the central bank, after slightly over half of the three-month period.

## UK MONEY MARKET

## Moderate help

Bank of England Minimum Lending Rate 16 per cent (since July 3, 1980).

Day-to-day credit was in short supply in the London money market yesterday, and the authorities gave moderate assistance by buying a small amount of Treasury bills from the discount houses, and by lending a moderate sum to five or six houses until Friday, at Bank of England Minimum Lending Rate.

Banks brought forward moderate surplus balances, but this was outweighed by repayment of Tuesday's large lending to the market.

**LONDON MONEY RATES**

July 9 1980	Sterling Certificate of deposit	Interbank	Local Authority deposits	Finance House deposits	Company deposits	Discount market	Treasury Bills	Eligible Bank Bills	Five Year Trade Bills
Overnight	15-16	15-16	15-16	15-16	15-16	15-16	15-16	15-16	15-16
3 days notice	15-16	15-16	15-16	15-16	15-16	15-16	15-16	15-16	15-16
7 days notice	15-16	15-16	15-16	15-16	15-16	15-16	15-16	15-16	15-16
One month	15-16	15-16	15-16	15-16	15-16	15-16	15-16	15-16	15-16
Three months	15-16	15-16	15-16	15-16	15-16	15-16	15-16	15-16	15-16
Six months	15-16	15-16	15-16	15-16	15-16	15-16	15-16	15-16	15-16
One year	15-16	15-16	15-16	15-16	15-16	15-16	15-16	15-16	15-16

Local authority and finance houses seven days' notice, others seven days' fixed. Long-term local authority mortgage rate nominally three years 12 1/2-13 1/2 per cent; four years 13 1/2-14 1/2 per cent; five years 14 1/2-15 1/2 per cent. Bank bill rates in table are buying rates for prime paper. Buying rates for four-month bank bills 14 1/2-15 1/2 per cent; four-month trade bills 14 1/2-15 1/2 per cent.

Approximate selling rates for one-month Treasury bills 15 1/2-16 1/2 per cent; two-months 16 1/2-17 1/2 per cent; three-months 17 1/2-18 1/2 per cent; four-months 18 1/2-19 1/2 per cent; five-months 19 1/2-20 1/2 per cent; six-months 20 1/2-21 1/2 per cent; seven-months 21 1/2-22 1/2 per cent; eight-months 22 1/2-23 1/2 per cent; nine-months 23 1/2-24 1/2 per cent; one year 24 1/2-25 1/2 per cent.

Bank Deposit Rates for sums at seven days' notice 14 per cent. Clearing Bank Rates for lending 16 per cent. Treasury Bill: Average tender rates of discount 14.7004 per cent.

## MONEY RATES

NEW YORK	11 1/2
Prime Rate	11 1/2
3 months	11 1/2
6 months	11 1/2
12 months	11 1/2
Germany	11 1/2
Discount Rate	11 1/2
Overnight Rate	11 1/2
One month	11 1/2
Three months	11 1/2
Six months	11 1/2

## FRANCE

Discount Rate	11 1/2
Overnight Rate	11 1/2
One month	11 1/2
Three months	11 1/2
Six months	11 1/2

## JAPAN

Discount Rate	11 1/2
Overnight Rate	11 1/2
One month	11 1/2
Three months	11 1/2
Six months	11 1/2

## BILLS DISCOUNT (three-month)

11 1/2
--------

## THE POUND SPOT AND FORWARD

July 9	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	2.3690-2.3620	2.3725-2.3735	1.72-1.82 pm	8.44	4.07-4.37 pm	6.75
Canada	2.7100-2.7235	2.7150-2.7160	1.25-1.28 pm	8.86	3.43-3.52 pm	4.36
Netherlands	4.50-4.54	4.51-4.52	2-2 1/2 pm	8.30	6-6 1/2 pm	5.20
Belgium	65.90-66.30	66.15-66.25	20-20 pm	2.72	44-44 pm	2.36
Denmark	12.76-12.81	12.80-12.81	1-2 pm	1.52	61-61 pm	2.36
Ireland	1.0955-1.1015	1.0995-1.1005	0.04-0.01 pm	0.27	0.27-0.22 pm	0.89
W. Ger.	4.11-4.14	4.13-4.14	3-2 1/2 pm	7.02	7-7 1/2 pm	6.41
Portugal	115.00-115.20	115.00-115.20	10c pm-15c	-0.26	30pm-20c	-0.89
Spain	167.20-167.30	167.20-167.30	70-120c	-6.82	220-205c	-7.94
Italy	1.588-1.592	1.588-1.592	6-9 1/2 pm	4.88	28-32c	-6.30
Norway	11.38-11.43	11.38-11.39	6-9 1/2 pm	6.32	15-14 1/2 pm	5.31
France	9.55-9.62	9.58-9.59	4-5 1/2 pm	4.69	8-8 pm	3.54
Sweden	8.75-8.78	8.75-8.78	2-3 pm	2.30	35-35 pm	1.41
Japan	518-522	517-519	1.85-1.80 pm	4.00	4.45-4.55 pm	3.63
Austria	28.25-28.40	28.30-28.35	15-15pm	5.52	40-40 pm	4.77
Switzerland	3.75-3.79	3.75-3.79	4-4 1/2 pm	11.88	10-10 1/2 pm	10.43

## THE DOLLAR SPOT AND FORWARD

July 9	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK	2.3690-2.3620	2.3725-2.3735	1.72-1.82 pm	8.44	4.07-4.37 pm	6.75
Ireland	2.1880-2.1840	2.1880-2.1880	1.80-1.80 pm	8.41	4.25-4.15 pm	7.78
Canada	1.1437-1.1443	1.1437-1.1440	0.19-0.24c	-2.25	0.40-0.45c	-1.49
Netherlands	4.502-4.503	4.502-4.503	0.28-0.28c	-2.08	0.40-0.40c	-1.27
Belgium	27.76-27.80	27.76-27.80	11-11c	-5.27	28-31c	-4.23
Denmark	5.3750-5.3830	5.3815-5.3830	4.10-4.80c	-9.70	12-12c	-9.70
W. Ger.	1.7350-1.7415	1.7350-1.7415	0.08-0.10c	-1.47	1.00-1.00c	-0.27
Portugal	68.48-68.58	68.48-68.58	30-40c	-8.65	70-71c	-7.41
Spain	70.37-70.50	70.40-70.44	80-100c	-15.34	220-205c	-13.36
Italy	628.40-629.05	628.75-629.05	8-11c	-13.75	25-30c	-13.51
France	4.7380-4.7415	4.7380-4.7415	0.01-0.01c	-1.27	1.00-1.00c	-0.27
Norway	4.2220-4.2420	4.2220-4.2420	1.15-1.25c	-3.57	3.05-3.25c	-3.12
Sweden	4.7710-4.7745	4.7710-4.7745	2.00-2.15c	-6.05	5.35-5.55c	-5.27
Japan	218.00-218.25	218.00-218.25	0.70-0.70c	-1.70	1.70-1.70c	-0.27
Austria	12.33-12.34	12.33-12.34	2.30-2.50c	-2.53	5.00-6.75c	-1.50
Switzerland	1.5850-1.5860	1.5850-1.5860	0.50-0.45c	3.57	1.52-1.57c	4.00

Belgian rate is for convertible francs. Financial franc 66.20-66.30. Six-month forward dollar 5.52-5.52c pm. 12-month 8.30-8.30c pm.

UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency.

## CURRENCY MOVEMENTS

July 9	Bank of England Index	Morgan Guaranty Changes
Starting	74.4	-31.0
U.S. dollar	10.8	-10.8
Canadian dollar	81.0	-15.9
Australian dollar	127.9	+24.9
Belgian franc	1.802	+1.4
Danish krone	108.2	-3.9
Deutsche mark	155.5	+44.7
Swiss franc	81.0	-81.0
Guilder	185.4	+20.5
French franc	102.5	-5.5
Lira	158.5	-58.5
Yen	123.5	+27.4

Based on trade weighted changes from Washington agreement December, 1971 (Bank of England Index=100).

Other currencies

Rate given for Argentina in free rate

Rate given for Argentina in free rate

Rate given for Argentina in free rate

Rate given for Argentina in free rate

Rate given for Argentina in free rate

Rate given for Argentina in free rate

Rate given for Argentina in free rate

Rate given for Argentina in free rate

Rate given for Argentina in free rate

Rate given for Argentina in free rate

Rate given for Argentina in free rate

Rate given for Argentina in free rate

Rate given for Argentina in free rate

Rate given for Argentina in free rate

Rate given for Argentina in free rate

Rate given for Argentina in free rate

Rate given for Argentina in free rate

Rate given for Argentina in free rate

Rate given for Argentina in free rate

Rate given for Argentina in free rate

Rate given for Argentina in free rate

Rate given for Argentina in free rate

Rate given for Argentina in free rate

Rate given for Argentina in free rate

Rate given for Argentina in free rate

Rate given for Argentina in free rate

Rate given for Argentina in free rate

Rate given for Argentina in free rate

Rate given for Argentina in free rate

Rate given for Argentina in free rate

Rate given for Argentina in free rate</







# Further sharp fall in London sugar price

By John Edwards, Commodities Editor

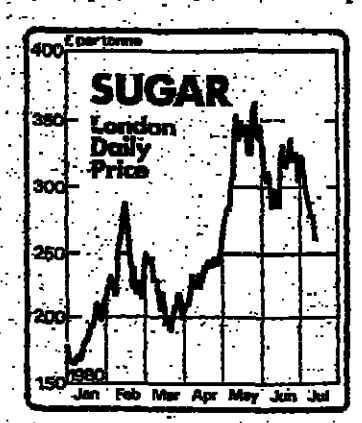
WORLD SUGAR prices fell sharply again yesterday, following further heavy selling by processors. The London daily price for raw sugar was cut by £19 to £201 a tonne. The futures market collapsed by the permissible limit down of £20 in the morning and fell further in the afternoon, before rallying in late trading. The October position on the No. 4 contract moved from a high of £232 to a low of £220 before closing at £201.75 a tonne, £21.75 down on the previous close.

No one is quite certain why the sugar market has fallen from the five-year peak levels reached in late May, when the daily price reached £262 and futures traded over £400.

At that time it was generally being predicted that production of sugar would continue to be well below demand and, therefore, prices were likely to keep on rising. However, it appears that anticipation of a possible shortage developing in 1981 drove prices higher than justified by the present supply-demand situation.

Consumer demand has been hit by the higher price levels,

with buyers being far more cautious. There are fears that consumption may not match up



to earlier expectations, while the high prices could well stimulate increased production in the traditional pattern in the world sugar market.

Bearing in mind the drop in demand for actual sugar, it has proved impossible to sustain the rising price trend especially in the absence of any more 'bullish' moves.

Speculators, who played a big role in pushing prices up too

fast and furiously, have become increasingly nervous and started to take their profits, or restrict their losses, by selling out in increasing volume. The downturn has been accelerated by 'short' selling, particularly from speculators who follow the charts.

There were signs of a technical rally last night, which could be the start of a recovery now that futures have come more into line with the physical market. But many speculators, who have suffered heavy losses in the past month or so, might be reluctant to come back in again so soon unless there is some important crop setback or political development affecting the market.

Meanwhile the EEC Commission yesterday rejected all offers for exports of white sugar at its weekly selling tender—the first of the new season.

It set the export levy at a zero rate, compared with a rate of 3.500 ECU per kilo last week, to take account of the fall in the world market. But exporters are reluctant to bid at the moment in view of the general uncertainty.

## Dock strike hits Danish bacon

By Richard Mooney

SUPPLIES of Danish bacon to the UK market are running low as a result of a strike by Danish dockers.

Dockworkers have been on strike for five days in support of a pay claim and this has prevented the shipment of about 5,000 tonnes of Danish bacon and pork to Britain, according to Mr. Dyrholm Madsen, a director of EBS-Foods, which handles Danish imports to this country.

About 500-tonne of Danish meat is sent to Britain each week through the port of Esbjerg where the dockers work. Some shipments have been moved across land and ferried from Germany, but this has not prevented a shortage developing on the UK market.

Even if the strike is called off immediately shipments scheduled to arrive on Tuesday will now not come till early next week, a London official of EBS-Food said yesterday.

"Already there is a shortage of bacon at the wholesale level in Britain," he added.

## French egg imports 'help' UK market

FRENCH EGG traders claim they are helping the British market by importing smaller grades of eggs, for which UK demand is weak, and exporting larger grades, which are popular in Britain.

They told a representative of the British National Farmers' Union this week that they could not be held responsible if British retailers sold their eggs in a way which could mislead the consumer. This was a reference to the recent controversy about French eggs being passed off in Britain as home produce.

Mr. Bill Leake, chairman of the NFU poultry committee, returning from a fact-finding trip to Brittany, said he had told leading French egg packers and producers of the concern felt by UK producers about the effect of imports on their market.

"They pointed out, however," he said, "that France is still a net importer of eggs and egg products."

## POTATOES

# Rain brings promise of high yields

By David Richardson

AN OPTIMISTIC old potato grower once told me he liked potatoes as a crop because "you never know how big a yield you're going to get until the day you dig them." Clearly the element of surprise applied to him, and had he been alive to dig some this month he might have been very agreeably surprised indeed.

For, although many potato growers were worried for several weeks after April planting that there would be insufficient soil moisture to produce good yields, that situation has now reversed. There has, in fact, been so much rain in some places that the lifting of second early crops has been impossible. On times, 60, although national supplies of potatoes are more than adequate—and likely to remain that way through the coming year—a few 'weather' markets which have proved very profitable to those who could deliver.

The situation was not so straightforward a few weeks ago, however, when subsidised imports of Greek and Spanish potatoes, among others from Mediterranean countries, created chaos among British first early growers. Prices collapsed and there were cries of "flood" among the traditional UK growing areas of Cornwall and South Wales. Peter Walker, the Minister of Agriculture, imposed a temporary ban on such imports and succeeded in making the exporting countries remove their subsidies. But not before UK early potato prices had dropped to what growers claimed were uneconomic levels, given the relatively low yields of very early harvested crops.

Now that second earlies are being harvested, however, there are few complaints from growers. Yields, swelled by recent rain, are mainly between 10 to 14 tonnes per acre, which is two to three tonnes above normal for this time of year.

Market prices, in spite of the improved import possibilities, have seldom been below £70 per tonne and on a few odd days, when supplies have been short because rain had stopped lifting in some areas, they have

risen as high as £140 per tonne. This means that even farmers with only average yields and prices have been grossing close to £1,000 an acre, which even in these inflationary times must show a useful profit.

It should be remembered, however, that only a relatively small proportion of potato growers can and do grow for the early markets. Geographical, soil and climatic constraints make it impossible for most to contemplate such

## Ban on Spanish imports ends

BRITAIN has lifted its import ban on Spanish new potatoes following the removal of the Spanish export subsidy. The Department of Trade said yesterday that from mid-July traders would no longer have to import new potatoes from Spain. The ban was imposed on Spanish and Greek potatoes last month because of the subsidies which allowed them to undercut prices of home produce.

outlets. And the profit outlook for this year's maincrop harvesting of which will not begin until September—is much less encouraging.

Potential yields of maincrop will, of course, have benefited from recent rains just like those of earlies. The weather has, however, brought with it the risk of light against which crops will now need to be expensively sprayed every 10 to 14 days until mid-September. Some disease will, as always, go unchecked with inevitable loss of saleable yield and quality.

But the main influence on potential profit will, paradoxically, be the high yields now fairly widely and confidently expected. The Potato Marketing Board attempts each year to control the acreage grown through its quota

## Prospects for late UK harvest

By John Cherrington, Agriculture Correspondent

TIME WAS when the annual lunch of the Home Grown Cereals Authority had the very breath of harvest. Invariably as I remember the Minister of Agriculture, a regular guest, was presented with a sample of first cut winter barley. Then we had the prophecies, highly larded by self-interest. The merchants always claimed prospects to be excellent while farmers warned that yields were bound to be down. An argument that lasts right through the year.

At this year's lunch yesterday, however, Mr. Peter Walker said nothing about the harvest. Instead he looked forward to the time, if he is still in office, when he will be presiding over the Council of Agricultural Ministers and trying to lead his fellow EEC Ministers away from the nitty-gritty of day-to-day details towards a consideration of the whole scope of the Common Agricultural Policy.

Perhaps the absence of a grain sample gave a better indication of this year's harvest situation. In a normal year there could have been one from somewhere on the south coast. This time, harvest looks like being late with winter barley not starting for some time and wheat being delayed perhaps until September in many places. The longer the present dull cold weather lasts, the less likely it is that the grain will mature of a good size and weight.

## End to grain ban denied

WASHINGTON—Bob Bergland, U.S. Agriculture Secretary, has rejected a recommendation by Presidential candidate Ronald Reagan that the grain embargo against the Soviet Union be ended.

Mr. Bergland told a group of agricultural officials the embargo has been effective, and cited Press reports of labour unrest due to food shortages in the Soviet Union.

He said the aim is to generate enough internal unrest so the USSR withdraws troops from Afghanistan and is forced to turn its attention to the demands of Soviet consumers for a higher standard of living and better diets.

Mr. Bergland said the USSR has never been a consistent customer for U.S. grain.

## Coffee at 16-month low

By Our Commodities Staff

THIS WEEK'S decline in coffee prices continued yesterday with the September position on the London futures market falling £43.50 to £1,384 a tonne, the lowest level since March last year. September delivery coffee has now fallen £350 in a month.

The fall is expected to trigger a special meeting of the International Coffee Council to consider market support measures. A meeting must be held within 14 days if the composite 20-day average indicator price falls below 168.27 cents a lb. Yesterday morning it stood at 168.42 cents.

The market fall has defied efforts by Latin American producers to shore up prices by announcing that they will not export to the United States. These include Brazil, Mexico, Colombia, Honduras, El Salvador, Nicaragua and Guatemala.

London cocoa futures prices also fell yesterday with the September quotation ending £18 down at £1,048.5 a tonne.

## New copper cathode contract sought

By Our Commodities Editor

THE INTRODUCTION of a new high-grade copper cathode on the London Metal Exchange— "geared to the needs of the industry in the '80s"—is being sought by the British Non-Ferrous Metals Federation.

In the Federation's annual report, out yesterday, it is suggested that the new high-grade cathode, needed to reflect the increasing trade in premium copper, could run in parallel with the existing cathode contract. The wirebar contract, it notes, must have a limited future as conventional rod rolling of copper gives way to continuous casting.

The report expects a surplus of production in the second half of 1980, subject to the uncertainty over the renewal of the U.S. workers' labour contracts. Reviewing prospects for the main suppliers to the UK mar-

ket, it is predicted that output will rise in Canada and Zambia from last year's setbacks. It notes that the Zambia settlement should pave the way for an improvement in shipments from the African copperbelt.

Agency reports yesterday, however, cast doubts on the claim that the Benguela railway had reopened allowing copper from Zaire and Zambia to be shipped via Lobito Port in Angola. The Unita guerrilla group said the railway had not reopened and it now appears that only limited shipments, mainly of manganese, from Zaire have been made. Zambia is at present sticking to its existing exit routes via South Africa.

On the London Metal Exchange yesterday there was a general decline in prices, following the downturn in gold. Silver and platinum values fell

## BRITISH COMMODITY MARKETS

### BASE METALS

COPPER—Gave ground on the London Metal Exchange. The falls in gold and silver upset the market from the copper. The September position on the London futures market fell £43.50 to £1,384 a tonne, the lowest level since March last year. September delivery coffee has now fallen £350 in a month.

The fall is expected to trigger a special meeting of the International Coffee Council to consider market support measures. A meeting must be held within 14 days if the composite 20-day average indicator price falls below 168.27 cents a lb. Yesterday morning it stood at 168.42 cents.

The market fall has defied efforts by Latin American producers to shore up prices by announcing that they will not export to the United States. These include Brazil, Mexico, Colombia, Honduras, El Salvador, Nicaragua and Guatemala.

London cocoa futures prices also fell yesterday with the September quotation ending £18 down at £1,048.5 a tonne.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

### PRICE CHANGES

In tonnes unless otherwise stated.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

### PRICE CHANGES

In tonnes unless otherwise stated.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

### PRICE CHANGES

In tonnes unless otherwise stated.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

### PRICE CHANGES

In tonnes unless otherwise stated.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

### PRICE CHANGES

In tonnes unless otherwise stated.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after touching £718. Turnover 5,500 tonnes.

Aluminium—Steady, reflecting a slight shortening in the nearby supply situation. After opening around £712.5 three months metal edged up to close the day at £715, after











Factories, Warehouses,  
Offices, Sites...

now in

**Telford**  
0952 613131

# BRITISH FUNDS

## "Shorts" (Lives up to Five Years)

108	974	Endorse 13c 1950-54	98	98	13.10	13.10
109	975	Endorse 13c 1950-54	99	99	13.10	13.10
110	976	Endorse 13c 1950-54	100	100	13.10	13.10
111	977	Endorse 13c 1950-54	101	101	13.10	13.10
112	978	Endorse 13c 1950-54	102	102	13.10	13.10
113	979	Endorse 13c 1950-54	103	103	13.10	13.10
114	980	Endorse 13c 1950-54	104	104	13.10	13.10
115	981	Endorse 13c 1950-54	105	105	13.10	13.10
116	982	Endorse 13c 1950-54	106	106	13.10	13.10
117	983	Endorse 13c 1950-54	107	107	13.10	13.10
118	984	Endorse 13c 1950-54	108	108	13.10	13.10
119	985	Endorse 13c 1950-54	109	109	13.10	13.10
120	986	Endorse 13c 1950-54	110	110	13.10	13.10
121	987	Endorse 13c 1950-54	111	111	13.10	13.10
122	988	Endorse 13c 1950-54	112	112	13.10	13.10
123	989	Endorse 13c 1950-54	113	113	13.10	13.10
124	990	Endorse 13c 1950-54	114	114	13.10	13.10
125	991	Endorse 13c 1950-54	115	115	13.10	13.10
126	992	Endorse 13c 1950-54	116	116	13.10	13.10
127	993	Endorse 13c 1950-54	117	117	13.10	13.10
128	994	Endorse 13c 1950-54	118	118	13.10	13.10
129	995	Endorse 13c 1950-54	119	119	13.10	13.10
130	996	Endorse 13c 1950-54	120	120	13.10	13.10
131	997	Endorse 13c 1950-54	121	121	13.10	13.10
132	998	Endorse 13c 1950-54	122	122	13.10	13.10
133	999	Endorse 13c 1950-54	123	123	13.10	13.10
134	1000	Endorse 13c 1950-54	124	124	13.10	13.10
135	1001	Endorse 13c 1950-54	125	125	13.10	13.10
136	1002	Endorse 13c 1950-54	126	126	13.10	13.10
137	1003	Endorse 13c 1950-54	127	127	13.10	13.10
138	1004	Endorse 13c 1950-54	128	128	13.10	13.10
139	1005	Endorse 13c 1950-54	129	129	13.10	13.10
140	1006	Endorse 13c 1950-54	130	130	13.10	13.10
141	1007	Endorse 13c 1950-54	131	131	13.10	13.10
142	1008	Endorse 13c 1950-54	132	132	13.10	13.10
143	1009	Endorse 13c 1950-54	133	133	13.10	13.10
144	1010	Endorse 13c 1950-54	134	134	13.10	13.10
145	1011	Endorse 13c 1950-54	135	135	13.10	13.10
146	1012	Endorse 13c 1950-54	136	136	13.10	13.10
147	1013	Endorse 13c 1950-54	137	137	13.10	13.10
148	1014	Endorse 13c 1950-54	138	138	13.10	13.10
149	1015	Endorse 13c 1950-54	139	139	13.10	13.10
150	1016	Endorse 13c 1950-54	140	140	13.10	13.10
151	1017	Endorse 13c 1950-54	141	141	13.10	13.10
152	1018	Endorse 13c 1950-54	142	142	13.10	13.10
153	1019	Endorse 13c 1950-54	143	143	13.10	13.10
154	1020	Endorse 13c 1950-54	144	144	13.10	13.10
155	1021	Endorse 13c 1950-54	145	145	13.10	13.10
156	1022	Endorse 13c 1950-54	146	146	13.10	13.10
157	1023	Endorse 13c 1950-54	147	147	13.10	13.10
158	1024	Endorse 13c 1950-54	148	148	13.10	13.10
159	1025	Endorse 13c 1950-54	149	149	13.10	13.10
160	1026	Endorse 13c 1950-54	150	150	13.10	13.10
161	1027	Endorse 13c 1950-54	151	151	13.10	13.10
162	1028	Endorse 13c 1950-54	152	152	13.10	13.10
163	1029	Endorse 13c 1950-54	153	153	13.10	13.10
164	1030	Endorse 13c 1950-54	154	154	13.10	13.10
165	1031	Endorse 13c 1950-54	155	155	13.10	13.10
166	1032	Endorse 13c 1950-54	156	156	13.10	13.10
167	1033	Endorse 13c 1950-54	157	157	13.10	13.10
168	1034	Endorse 13c 1950-54	158	158	13.10	13.10
169	1035	Endorse 13c 1950-54	159	159	13.10	13.10
170	1036	Endorse 13c 1950-54	160	160	13.10	13.10
171	1037	Endorse 13c 1950-54	161	161	13.10	13.10
172	1038	Endorse 13c 1950-54	162	162	13.10	13.10
173	1039	Endorse 13c 1950-54	163	163	13.10	13.10
174	1040	Endorse 13c 1950-54	164	164	13.10	13.10
175	1041	Endorse 13c 1950-54	165	165	13.10	13.10
176	1042	Endorse 13c 1950-54	166	166	13.10	13.10
177	1043	Endorse 13c 1950-54	167	167	13.10	13.10
178	1044	Endorse 13c 1950-54	168	168	13.10	13.10
179	1045	Endorse 13c 1950-54	169	169	13.10	13.10
180	1046	Endorse 13c 1950-54	170	170	13.10	13.10
181	1047	Endorse 13c 1950-54	171	171	13.10	13.10
182	1048	Endorse 13c 1950-54	172	172	13.10	13.10
183	1049	Endorse 13c 1950-54	173	173	13.10	13.10
184	1050	Endorse 13c 1950-54	174	174	13.10	13.10
185	1051	Endorse 13c 1950-54	175	175	13.10	13.10
186	1052	Endorse 13c 1950-54	176	176	13.10	13.10
187	1053	Endorse 13c 1950-54	177	177	13.10	13.10
188	1054	Endorse 13c 1950-54	178	178	13.10	13.10
189	1055	Endorse 13c 1950-54	179	179	13.10	13.10
190	1056	Endorse 13c 1950-54	180	180	13.10	13.10
191	1057	Endorse 13c 1950-54	181	181	13.10	13.10
192	1058	Endorse 13c 1950-54	182	182	13.10	13.10
193	1059	Endorse 13c 1950-54	183	183	13.10	13.10
194	1060	Endorse 13c 1950-54	184	184	13.10	13.10
195	1061	Endorse 13c 1950-54	185	185	13.10	13.10
196	1062	Endorse 13c 1950-54	186	186	13.10	13.10
197	1063	Endorse 13c 1950-54	187	187	13.10	13.10
198	1064	Endorse 13c 1950-54	188	188	13.10	13.10
199	1065	Endorse 13c 1950-54	189	189	13.10	13.10
200	1066	Endorse 13c 1950-54	190	190	13.10	13.10
201	1067	Endorse 13c 1950-54	191	191	13.10	13.10
202	1068	Endorse 13c 1950-54	192	192	13.10	13.10
203	1069	Endorse 13c 1950-54	193	193	13.10	13.10
204	1070	Endorse 13c 1950-54	194	194	13.10	13.10
205	1071	Endorse 13c 1950-54	195	195	13.10	13.10
206	1072	Endorse 13c 1950-54	196	196	13.10	13.10
207	1073	Endorse 13c 1950-54	197	197	13.10	13.10
208	1074	Endorse 13c 1950-54	198	198	13.10	13.10
209	1075	Endorse 13c 1950-54	199	199	13.10	13.10
210	1076	Endorse 13c 1950-54	200	200	13.10	13.10
211	1077	Endorse 13c 1950-54	201	201	13.10	13.10
212	1078	Endorse 13c 1950-54	202	202	13.10	13.10
213	1079	Endorse 13c 1950-54	203	203	13.10	13.10
214	1080	Endorse 13c 1950-54	204	204	13.10	13.10
215	1081	Endorse 13c 1950-54	205	205	13.10	13.10
216	1082	Endorse 13c 1950-54	206	206	13.10	13.10
217	1083	Endorse 13c 1950-54	207	207	13.10	13.10
218	1084	Endorse 13c 1950-54	208	208	13.10	13.10
219	1085	Endorse 13c 1950-54	209	209	13.10	13.10
220	1086	Endorse 13c 1950-54	210	210	13.10	13.10
221	1087	Endorse 13c 1950-54	211	211	13.10	13.10
222	1088	Endorse 13c 1950-54	212	212	13.10	13.10
223	1089	Endorse 13c 1950-54	213	213	13.10	13.10
224	1090	Endorse 13c 1950-54	214	214	13.10	13.10
225	1091	Endorse 13c 1950-54	215	215	13.10	13.10
226	1092	Endorse 13c 1950-54	216	216	13.10	13.10
227	1093	Endorse 13c 1950-54	217	217	13.10	13.10
228	1094	Endorse 13c 1950-54	218	218	13.10	13.10
229	1095	Endorse 13c 1950-54	219	219	13.10	13.10
230	1096	Endorse 13c 1950-54	220	220	13.10	13.10
231	1097	Endorse 13c 1950-54	221	221	13.10	13.10
232	1098	Endorse 13c 1950-54	222	222	13.10	13.10
233	1099	Endorse 13c 1950-54	223	223	13.10	13.10
234	1100	Endorse 13c 1950-54	224	224	13.10	13.10
235	1101	Endorse 13c 1950-54	225	225	13.10	13.10
236	1102	Endorse 13c 1950-54	226	226	13.10	13.10
237	1103	Endorse 13c 1950-54	227	227	13.10	13.10
238	1104	Endorse 13c 1950-54	228	228	13.10	13.10
239	1105	Endorse 13c 1950-54	229	229	13.10	13.10
240	1106	Endorse 13c 1950-54	230	230	13.10	13.10
241	1107	Endorse 13c 1950-54	231	231	13.10	13.10
242	1108	Endorse 13c 1950-54	232	232	13.10	13.10
243	1109	Endorse 13c 1950-54	233	233	13.10	13.10
244	1110	Endorse 13c 1950-54	234	234	13.10	13.10
245	1111	Endorse 13c 1950-54	235	235	13.10	13.10
246	1112	Endorse 13c 1950-54	236	236	13.10	13.10
247	1113	Endorse 13c 1950-54	237	237	13.10	13.10
248	1114	Endorse 13c 1950-54	238	238	13.10	13.10
249	1115	Endorse 13c 1950-54	239	239	13.10	13.10
250	1116	Endorse 13c 1950-54	240	240	13.10	13.10
251	1117	Endorse 13c 1950-54	241	241	13.10	13.10
252	1118	Endorse 13c 1950-54	242	242	13.10	13.10
253	1119	Endorse 13c 1950-54	243	243	13.10	13.10
254	1120	Endorse 13c 1950-54	244	244	13.10	13.10
255	1121	Endorse 13c 1950-54	245	245	13.10	13.10
256	1122	Endorse 13c 1950-54	246	246	13.10	13.10
257	1123	Endorse 13c 1950-54	247	247	13.10	13.10
258	1124	Endorse 13c 1950-54	248	248	13.10	13.10
259	1125	Endorse 13c 1950-54	249	249	13.10	13.10
260	1126	Endorse 13c 1950-54	250	250	13.10	13.10
261	1127	Endorse 13c 1950-54	251	251	13.10	13.10
262	1128	Endorse 13c 1950-54	252	252	13.10	13.10
263	1129	Endorse 13c 1950-54	253	253	13.10	13.10
264	1130	Endorse 13c 1950-54	254	254	13.10	13.10
265	1131	Endorse 13c 1950-54	255	255	13.10	13.10
266	1132	Endorse 13c 1950-54	256	256	13.10	13.10
267	1133	Endorse 13c 1950-54	257	257	13.10	13.10
268	1134	Endorse 13c 1950-54	258	258	13.10	13.10
269	1135	Endorse 13c 1950-54	259	259	13.10	13.10
270	1136	Endorse 13c 1950-54	260	260	13.10	13.10
271	1137					



## FINANCE LAND—Continue

[illegible]

Copper		Copper		Copper	
89	789	Anglo-Donner	150	129	
90	790	Raymond	129	129	
91	791	Burns Mines 10p	94	0.62	1.1
92	792	Cos. March 10p	34	0.62	1.1
93	793	Cons. March 10p	34	0.62	1.1
94	794	Cons. March 10p	34	0.62	1.1
95	795	Cons. March 10p	34	0.62	1.1
96	796	Cons. March 10p	34	0.62	1.1
97	797	Cons. March 10p	34	0.62	1.1
98	798	Cons. March 10p	34	0.62	1.1
99	799	Cons. March 10p	34	0.62	1.1
100	800	Cons. March 10p	34	0.62	1.1
101	801	Cons. March 10p	34	0.62	1.1
102	802	Cons. March 10p	34	0.62	1.1
103	803	Cons. March 10p	34	0.62	1.1
104	804	Cons. March 10p	34	0.62	1.1
105	805	Cons. March 10p	34	0.62	1.1
106	806	Cons. March 10p	34	0.62	1.1
107	807	Cons. March 10p	34	0.62	1.1
108	808	Cons. March 10p	34	0.62	1.1
109	809	Cons. March 10p	34	0.62	1.1
110	810	Cons. March 10p	34	0.62	1.1
111	811	Cons. March 10p	34	0.62	1.1
112	812	Cons. March 10p	34	0.62	1.1
113	813	Cons. March 10p	34	0.62	1.1
114	814	Cons. March 10p	34	0.62	1.1
115	815	Cons. March 10p	34	0.62	1.1
116	816	Cons. March 10p	34	0.62	1.1
117	817	Cons. March 10p	34	0.62	1.1
118	818	Cons. March 10p	34	0.62	1.1
119	819	Cons. March 10p	34	0.62	1.1
120	820	Cons. March 10p	34	0.62	1.1
121	821	Cons. March 10p	34	0.62	1.1
122	822	Cons. March 10p	34	0.62	1.1
123	823	Cons. March 10p	34	0.62	1.1
124	824	Cons. March 10p	34	0.62	1.1
125	825	Cons. March 10p	34	0.62	1.1
126	826	Cons. March 10p	34	0.62	1.1
127	827	Cons. March 10p	34	0.62	1.1
128	828	Cons. March 10p	34	0.62	1.1
129	829	Cons. March 10p	34	0.62	1.1
130	830	Cons. March 10p	34	0.62	1.1
131	831	Cons. March 10p	34	0.62	1.1
132	832	Cons. March 10p	34	0.62	1.1
133	833	Cons. March 10p	34	0.62	1.1
134	834	Cons. March 10p	34	0.62	1.1
135	835	Cons. March 10p	34	0.62	1.1
136	836	Cons. March 10p	34	0.62	1.1
137	837	Cons. March 10p	34	0.62	1.1
138	838	Cons. March 10p	34	0.62	1.1
139	839	Cons. March 10p	34	0.62	1.1
140	840	Cons. March 10p	34	0.62	1.1
141	841	Cons. March 10p	34	0.62	1.1
142	842	Cons. March 10p	34	0.62	1.1
143	843	Cons. March 10p	34	0.62	1.1
144	844	Cons. March 10p	34	0.62	1.1
145	845	Cons. March 10p	34	0.62	1.1
146	846	Cons. March 10p	34	0.62	1.1
147	847	Cons. March 10p	34	0.62	1.1
148	848	Cons. March 10p	34	0.62	1.1
149	849	Cons. March 10p	34	0.62	1.1
150	850	Cons. March 10p	34	0.62	1.1

[illegible]

## REGIONAL MARKETS

The following is a selection of London quotations of shares previously stated only in regional markets. Prices of Irish stocks, most of which are also quoted in London, are as quoted on the Irish exchange.

Barclays	31	Cons. 9% 1982/83	507A	
Boehringer	16	Cons. 9% 20/82	507B	
British Air	250	Cons. 9% 20/82	507C	
British Coal	510	Fin. 12% 9/7/82	507D	
British Gas	130	Alliance Gas	507E	
British Telecom	130	Amoco	507F	
British Water	130	Carroll (P.J.)	507G	
British Airways	130	Clonmel	507H	
British Airways	130	Clonmel	507I	
British Airways	130	Clonmel	507J	
British Airways	130	Clonmel	507K	
British Airways	130	Clonmel	507L	
British Airways	130	Clonmel	507M	
British Airways	130	Clonmel	507N	
British Airways	130	Clonmel	507O	
British Airways	130	Clonmel	507P	
British Airways	130	Clonmel	507Q	
British Airways	130	Clonmel	507R	
British Airways	130	Clonmel	507S	
British Airways	130	Clonmel	507T	
British Airways	130	Clonmel	507U	
British Airways	130	Clonmel	507V	
British Airways	130	Clonmel	507W	
British Airways	130	Clonmel	507X	
British Airways	130	Clonmel	507Y	
British Airways	130	Clonmel	507Z	
British Airways	130	Clonmel	507A	
British Airways	130	Clonmel	507B	
British Airways	130	Clonmel	507C	
British Airways	130	Clonmel	507D	
British Airways	130	Clonmel	507E	
British Airways	130	Clonmel	507F	
British Airways	130	Clonmel	507G	
British Airways	130	Clonmel	507H	
British Airways	130	Clonmel	507I	
British Airways	130	Clonmel	507J	
British Airways	130	Clonmel	507K	
British Airways	130	Clonmel	507L	
British Airways	130	Clonmel	507M	
British Airways	130	Clonmel	507N	
British Airways	130	Clonmel	507O	
British Airways	130	Clonmel	507P	
British Airways	130	Clonmel	507Q	
British Airways	130	Clonmel	507R	
British Airways	130	Clonmel	507S	
British Airways	130	Clonmel	507T	
British Airways	130	Clonmel	507U	
British Airways	130	Clonmel	507V	
British Airways	130	Clonmel	507W	
British Airways	130	Clonmel	507X	
British Airways	130	Clonmel	507Y	
British Airways	130	Clonmel	507Z	
British Airways	130	Clonmel	507A	
British Airways	130	Clonmel	507B	
British Airways	130	Clonmel	507C	
British Airways	130	Clonmel	507D	
British Airways	130	Clonmel	507E	
British Airways	130	Clonmel	507F	
British Airways	130	Clonmel	507G	
British Airways	130	Clonmel	507H	
British Airways	130	Clonmel	507I	
British Airways	130	Clonmel	507J	
British Airways	130	Clonmel	507K	
British Airways	130	Clonmel	507L	
British Airways	130	Clonmel	507M	
British Airways	130	Clonmel	507N	
British Airways	130	Clonmel	507O	
British Airways	130	Clonmel	507P	
British Airways	130	Clonmel	507Q	
British Airways	130	Clonmel	507R	
British Airways	130	Clonmel	507S	
British Airways	130	Clonmel	507T	
British Airways	130	Clonmel	507U	
British Airways	130	Clonmel	507V	
British Airways	130	Clonmel	507W	
British Airways	130	Clonmel	507X	
British Airways	130	Clonmel	507Y	
British Airways	130	Clonmel	507Z	
British Airways	130	Clonmel	507A	
British Airways	130	Clonmel	507B	
British Airways	130	Clonmel	507C	
British Airways	130	Clonmel	507D	
British Airways	130	Clonmel	507E	
British Airways	130	Clonmel	507F	
British Airways	130	Clonmel	507G	
British Airways	130	Clonmel	507H	
British Airways	130	Clonmel	507I	
British Airways	130	Clonmel	507J	
British Airways	130	Clonmel	507K	
British Airways	130	Clonmel	507L	
British Airways	130	Clonmel	507M	
British Airways	130	Clonmel	507N	
British Airways	130	Clonmel	507O	
British Airways	130	Clonmel	507P	
British Airways	130	Clonmel	507Q	
British Airways	130	Clonmel	507R	
British Airways	130	Clonmel	507S	
British Airways	130	Clonmel	507T	
British Airways	130	Clonmel	507U	
British Airways	130	Clonmel	507V	
British Airways	130	Clonmel	507W	
British Airways	130	Clonmel	507X	
British Airways	130	Clonmel	507Y	
British Airways	130	Clonmel	507Z	
British Airways	130	Clonmel	507A	
British Airways	130	Clonmel	507B	
British Airways	130	Clonmel	507C	
British Airways	130	Clonmel	507D	
British Airways	130	Clonmel	507E	
British Airways	130	Clonmel	507F	
British Airways	130	Clonmel	507G	
British Airways	130	Clonmel	507H	
British Airways	130	Clonmel	507I	
British Airways	130	Clonmel	507J	
British Airways	130	Clonmel	507K	
British Airways	130	Clonmel	507L	
British Airways	130	Clonmel	507M	
British Airways	130	Clonmel	507N	
British Airways	130	Clonmel	507O	
British Airways	130	Clonmel	507P	
British Airways	130	Clonmel	507Q	
British Airways	130	Clonmel	507R	
British Airways	130	Clonmel	507S	
British Airways	130	Clonmel	507T	
British Airways	130	Clonmel	507U	
British Airways	130	Clonmel	507V	
British Airways	130	Clonmel	507W	
British Airways	130	Clonmel	507X	
British Airways	130	Clonmel	507Y	
British Airways	130	Clonmel	507Z	
British Airways	130	Clonmel	507A	
British Airways	130	Clonmel	507B	
British Airways	130	Clonmel	507C	
British Airways	130	Clonmel	507D	
British Airways	130	Clonmel	507E	
British Airways	130	Clonmel	507F	
British Airways	130	Clonmel	507G	
British Airways	130	Clonmel	507H	
British Airways	130	Clonmel	507I	
British Airways	130	Clonmel	507J	
British Airways	130	Clonmel	507K	
British Airways	130	Clonmel	507L	
British Airways	130	Clonmel	507M	
British Airways	130	Clonmel	507N	
British Airways	130	Clonmel	507O	
British Airways	130	Clonmel	507P	
British Airways	130	Clonmel	507Q	
British Airways	130	Clonmel	507R	
British Airways	130	Clonmel	507S	
British Airways	130	Clonmel	507T	
British Airways	130	Clonmel	507U	
British Airways	130	Clonmel	507V	
British Airways	130	Clonmel	507W	
British Airways	130	Clonmel	507X	
British Airways	130	Clonmel	507Y	
British Airways	130	Clonmel	507Z	
British Airways	130	Clonmel	507A	
British Airways	130	Clonmel	507B	
British Airways	130	Clonmel	507C	
British Airways	130	Clonmel	507D	
British Airways	130	Clonmel	507E	
British Airways	130	Clonmel	507F	
British Airways	130	Clonmel	507G	
British Airways	130	Clonmel	507H	
British Airways	130	Clonmel	507I	
British Airways	130	Clonmel	507J	
British Airways	130	Clonmel	507K	
British Airways	130	Clonmel	507L	
British Airways	130	Clonmel	507M	
British Airways	130	Clonmel	507N	
British Airways	130	Clonmel	507O	
British Airways	130	Clonmel	507P	
British Airways	130	Clonmel	507Q	
British Airways	130	Clonmel	507R	
British Airways	130	Clonmel	507S	
British Airways	130	Clonmel	507T	
British Airways	130	Clonmel	507U	
British Airways	130	Clonmel	507V	
British Airways	130	Clonmel	507W	
British Airways	130	Clonmel	507X	
British Airways	130	Clonmel	507Y	
British Airways	130	Clonmel	507Z	
British Airways	130	Clonmel	507A	
British Airways	130	Clonmel	507B	
British Airways	130	Clonmel	507C	
British Airways	130	Clonmel	507D	
British Airways	130	Clonmel	507E	
British Airways	130	Clonmel	507F	
British Airways	130	Clonmel	507G	
British Airways	130	Clonmel	507H	
British Airways	130	Clonmel	507I	
British Airways	130	Clonmel	507J	
British Airways	130	Clonmel	507K	
British Airways	130	Clonmel	507L	
British Airways	130	Clonmel	507M	
British Airways	130	Clonmel	507N	
British Airways	130	Clonmel	507O	
British Airways	130	Clonmel	507P	
British Airways	130	Clonmel	507Q	
British Airways	130	Clonmel	507R	
British Airways	130	Clonmel	507S	
British Airways	130	Clonmel	507T	
British Airways	130	Clonmel	507U	
British Airways	130	Clonmel	507V	
British Airways	130	Clonmel	507W	
British Airways	130	Clonmel	507X	
British Airways	130	Clonmel	507Y	
British Airways	130	Clonmel	507Z	
British Airways	130	Clonmel	507A	
British Airways	130	Clonmel	507B	
British Airways	130	Clonmel	507C	
British Airways	130	Clonmel	507D	
British Airways	130	Clonmel	507E	
British Airways	130	Clonmel	507F	
British Airways	130	Clonmel	507G	
British Airways	130	Clonmel	507H	
British Airways	130	Clonmel	507I	
British Airways	130	Clonmel	507J	
British Airways	130	Clonmel	507K	
British Airways	130	Clonmel	507L	
British Airways	130	Clonmel	507M	
British Airways	130	Clonmel	507N	
British Airways	130	Clonmel	507O	
British Airways	130	Clonmel	507P	
British Airways	130	Clonmel	507Q	
British Airways	130	Clonmel	507R	
British Airways	130	Clonmel	507S	
British Airways	130	Clonmel	507T	
British Airways	130	Clonmel	507U	
British Airways	130	Clonmel	507V	
British Airways	130	Clonmel	507W	
British Airways	130	Clonmel	507X	
British Airways	130	Clonmel	507Y	
British Airways	130	Clonmel	507Z	
British Airways	130	Clonmel	507A	
British Airways	130	Clonmel	507B	
British Airways	130	Clonmel	507C	
British Airways	130	Clonmel	507D	
British Airways	130	Clonmel	507E	
British Airways	130	Clonmel	507F	
British Airways	130	Clonmel	507G	
British Airways	130	Clonmel	507H	
British Airways	130	Clonmel	507I	
British Airways	130	Clonmel	507J	
British Airways	130	Clonmel	507K	
British Airways	130	Clonmel	507L	
British Airways	130	Clonmel	507M	
British Airways	130	Clonmel	507N	
British Airways	130	Clonmel	507O	
British Airways	130	Clonmel	507P	
British Airways	130	Clonmel	507Q	
British Airways	130	Clonmel	507R	
British Airways	130	Clonmel	507S	
British Airways	130	Clonmel	507T	
British Airways	130	Clonmel	507U	
British Airways	130	Clonmel	507V	
British Airways	130	Clonmel	507W	
British Airways	130	Clonmel	507X	
British Airways	130	Clonmel	507Y	
British Airways	130	Clonmel	507Z	
British Airways	130	Clonmel	507A	
British Airways	130	Clonmel	507B	
British Airways	130	Clonmel	507C	
British Airways	130	Clonmel	507D	
British Airways	130	Clonmel	507E	
British Airways	130	Clonmel	507F	
British Airways	130	Clonmel	507G	
British Airways	130	Clonmel	507H	
British Airways	130	Clonmel	507I	
British Airways	130	Clonmel	507J	
British Airways	130	Clonmel	507K	
British Airways	130	Clonmel	507L	
British Airways	130	Clonmel	507M	
British Airways	130	Clonmel	507N	
British Airways	130	Clonmel	507O	
British Airways	130	Clonmel	507P	
British Airways	130	Clonmel	507Q	
British Airways	130	Clonmel	507R	
British Airways	130	Clonmel	507S	
British Airways	130	Clonmel	507T	
British Airways	130	Clonmel	507U	
British Airways	130	Clonmel	507V	
British Airways	130	Clonmel	507W	
British Airways	130	Clonmel	507X	
British Airways	130	Clonmel	507Y	
British Airways	130	Clonmel	507Z	
British Airways	130	Clonmel	507A	
British Airways	130	Clonmel	507B	
British Airways	130	Clonmel	507C	
British Airways	130	Clonmel	507D	
British Airways	130	Clonmel	507E	
British Airways	130	Clonmel	507F	
British Airways	130	Clonmel	507G	
British Airways	130	Clonmel	507H	
British Airways	130	Clonmel	507I	
British Airways	130	Clonmel	507J	
British Airways	130	Clonmel	507K	
British Airways	130	Clonmel	507L	
British Airways	130	Clonmel	507M	
British Airways	130	Clonmel	507N	
British Airways	130	Clonmel	507O	
British Airways	130	Clonmel	507P	
British Airways	130	Clonmel	507Q	
British Airways	130	Clonmel	507R	
British Airways	130	Clonmel	507S	
British Airways	130	Clonmel	507T	
British Airways	130	Clonmel	507U	
British Airways	1			

[illegible]



